

April 20, 2017

SNC-Lavalin Group Inc.  
455, boul. René-Lévesque ouest  
Montréal, Québec  
H2Z 1Z3

Attention: Sylvain Girard, Executive Vice President and Chief Financial Officer  
Stéphanie Vaillancourt, Senior Vice President and Treasurer

Dear Sylvain, Stéphanie,

This letter agreement confirms that RBC Dominion Securities Inc. ("**RBC**"), TD Securities Inc. and BMO Nesbitt Burns Inc. (collectively, the "**Joint Bookrunners**") on their own behalf and on behalf of the syndicate of underwriters set forth in Schedule B to this letter agreement (collectively with the Joint Bookrunners, the "**Underwriters**", each other Underwriter having authorized the Joint Bookrunners to enter into this letter agreement on its behalf), hereby offers to purchase on a bought deal basis 15,550,000 subscription receipts (the "**Subscription Receipts**") of SNC-Lavalin Group Inc. (the "**Corporation**") at a price of \$51.45 per Subscription Receipt according to the terms described in the term sheet attached as Schedule C of this letter agreement (the "**Offer**") with an over-allotment option exercisable by the Joint Bookrunners in whole or in part at any time not later than the earlier of (i) up to 30 days following the closing of the offering and (ii) the occurrence of a Termination Event (as defined in the term sheet attached as Schedule C of this letter agreement), to purchase up to an additional 1,555,000 Subscription Receipts (or common shares of the Corporation ("**Common Shares**") in lieu of Subscription Receipts if the Escrow Release Condition set forth in the term sheet attached as Schedule C of this letter agreement has been satisfied prior to the exercise of the Over-Allotment Option) at the same price and upon the same terms and conditions as set forth herein to cover over-allocations, if any, and for market stabilization purposes (the "**Over-allotment Option**"). For the purposes of this letter agreement, the Offer shall include the granting of the Over-allotment Option.

This Offer, and the agreement resulting from your acceptance of this Offer, is subject to the following terms and conditions as well as those set out in the term sheet attached hereto as Schedule C:

1. Time for Acceptance. This Offer is open for acceptance until 3:00 p.m. (Montreal time) on April 20, 2017, unless otherwise extended or withdrawn by the Joint Bookrunners on behalf of the Underwriters.
2. Base Shelf Prospectus and Selling Jurisdictions. The Corporation represents and warrants that it has filed a final short form base shelf prospectus dated March 13, 2017 providing, *inter alia*, for the distribution of Subscription Receipts (the "**Base Shelf Prospectus**") in Québec, with the Autorité des marchés financiers ("AMF") as principal regulator, and in all other provinces of Canada (collectively with Québec, the "**Selling Jurisdictions**") under National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* and in compliance with applicable securities laws, and has

obtained, or been deemed to have obtained, a receipt therefor from each of the Selling Jurisdictions dated March 14, 2017, and the Corporation is eligible to use the “shelf procedures” under National Instrument 44-102 – *Shelf Distributions* (“**NI 44-102**”).

3. Time for Filing the Prospectus Supplement. The Corporation shall file a prospectus supplement (prepared in accordance with applicable securities laws, in English and French languages and in a form satisfactory to the Underwriters, acting reasonably, and the Corporation) providing for the distribution of Subscription Receipts issuable pursuant to the offering with the securities regulatory authorities in each of the Selling Jurisdictions on or before 5:00 p.m. (Montreal time) on April 24, 2017.
4. Underwriters Participation. Prior to the filing and or use of any prospectus supplement relating to the offering, the Corporation will allow the Underwriters and their counsel to participate fully in the preparation of, and, acting reasonably, to approve the form of, any prospectus supplement relating to the offering, and to review all documents incorporated by reference therein.
5. Press Release. Upon acceptance of the Offer, the Corporation will arrange to be issued, in coordination with RBC, the press release attached as Schedule D of this letter agreement, and the Corporation will file the press release with the applicable securities regulatory authorities concurrently with its issuance. Where necessary, the Corporation will use its best efforts to have trading in the Corporation's common shares halted on the Toronto Stock Exchange (the “**TSX**”) to permit the dissemination of the press release. For the period commencing on the date hereof and ending on the date on which RBC advises the Corporation that the distribution of the Subscription Receipts is terminated, and subject to the requirements of applicable laws and stock exchange requirements, the Corporation will not, without first obtaining the approval of RBC, which shall not be unreasonably withheld or delayed, issue any press release (other than press releases or other public documents which do not contain material facts and relate to promotion of the services or business of the Corporation, sponsorship of events, announcement of ordinary course of business contract wins or similar press releases issued with a view to market the services or business of the Corporation consistent with the regular past communications practices of the Corporation as opposed to disclosing material facts or other material information), including with respect to the offering.
6. Due Diligence. During the course of the offering, the Corporation will allow the Underwriters and their counsel to conduct all due diligence investigations that the Underwriters may reasonably require prior to closing of the offering to fulfil their obligations as underwriters under Canadian securities laws. Without limiting the generality of the foregoing, such due diligence shall include, access to senior management and auditors, including in a formal due diligence session preceding filing of the prospectus supplement and bring down due diligence sessions prior to closing.
7. Underwriting Agreement. Execution of an underwriting agreement (the “**Underwriting Agreement**”), as soon as practicable and not later than the filing of the prospectus supplement, on terms and conditions mutually agreeable to the Corporation and the Underwriters, which shall include, without limitation, industry/bought deal standard representations, warranties and covenants, and indemnification and contribution provisions consistent with industry standards in Canada for “bought deal” public

offerings, and termination provisions including “regulatory proceedings out”, “material adverse change or adverse change in material fact out” and “disaster out” clauses in the form set out in Schedule E to this letter agreement, such termination provisions to commence on acceptance of the Offer. Furthermore, the liability of the Underwriters shall be several and not joint.

8. Obligations of Underwriters and Defaulting Underwriters. Each of the Joint Bookrunners and other Underwriters shall be allocated a percentage of the offering as indicated in Schedule B, provided that this Offer is not subject to syndication. The liability of the Underwriters shall be joint (and not solidary within the meaning of the *Civil Code of Québec*). However, if any one or more of the Underwriters fails to purchase at the time of closing its applicable percentage of the total number of Subscription Receipts, and the total number of such Subscription Receipts not purchased is not more than 13.0% of the aggregate number of Subscription Receipts (excluding Subscription Receipts issuable on exercise of the over-allotment option), then the non-defaulting Underwriters are obligated jointly (and not solidarily within the meaning of the *Civil Code of Québec*), in their respective proportions, to purchase the Subscription Receipts which the defaulting Underwriter or Underwriters fail to purchase. If any one or more of the Underwriters fails to purchase at the time of closing their applicable percentage of the total number of Subscription Receipts, and the total number of such Subscription Receipts not purchased is more than 13.0% of the aggregate number of Subscription Receipts (excluding Subscription Receipts issuable on exercise of the over-allotment option), then the non-defaulting Underwriters shall be entitled to terminate their respective obligations without further liability or to purchase, in their respective proportions, the Subscription Receipts which the defaulting Underwriter or Underwriters fail to purchase.
9. Expenses. The Underwriters will be responsible for fees and disbursements of the Underwriters’ legal counsel and the Underwriters’ out-of-pocket expenses. Notwithstanding the foregoing, if the offering is not completed due to any failure by the Corporation to comply with the terms of this letter agreement, the Corporation shall reimburse the Underwriters for the reasonable fees and disbursements of the Underwriters’ legal counsel. The Corporation will be responsible for all other costs and expenses related to the offering, whether or not it is completed, including, but not limited to: fees and disbursements of the Corporation’s legal counsel; fees and disbursements of the Corporation’s accountants and auditors; fees and disbursements of translators; fees and disbursements of other applicable experts; the Corporation’s expenses related to roadshows and marketing activities; printing costs; filing fees; stock exchange fees; and taxes on all of the foregoing.
10. Black-out. Upon acceptance of the Offer, the Corporation hereby agrees, without the prior written consent of the Joint Bookrunners on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed, not to, directly or indirectly, during the period ending 90 days after the closing of the offering, directly or indirectly, create, issue or sell, or enter into any agreement to create, issue or sell (or announce any intention to do so), any Common Shares, rights to purchase such Common Shares or any securities convertible into or exercisable or exchangeable for such Common Shares, or agree to do any of the foregoing, other than, in each case: (i) as contemplated herein or pursuant to the Concurrent Private Placement; (ii) rights granted under the Corporation's stock option plan, long-term incentive plans, employee share purchase

plans or any other security based compensation arrangements and Common Shares issued pursuant to the exercise, settlement or conversion, as the case may be, of such rights, (iii) to satisfy existing instruments issued on or prior to the date hereof, or (iv) to satisfy the requirements of the Corporation's dividend reinvestment and optional share purchase plan or similar plan.

In addition, the Corporation will obtain from its directors and senior executive officers, prior to closing, an undertaking not to sell (directly or indirectly, including a disposition of the economic interest in or exposure to), or announce any intention to do so, any Common Shares or securities convertible or exchangeable into Common Shares for a period of 90 days from the closing of the offering without the prior consent of the Joint Bookrunners, such consent not to be unreasonably withheld or delayed.

11. U.S. and International Sales. The Subscription Receipts will be eligible for sale in the United States to Qualified Institutional Buyers (as defined in Rule 144A under the U.S. Securities Act) by the Underwriters pursuant to an exemption under Rule 144A or such other manner as to not require registration under the United States Securities Act of 1933, as amended, and in other jurisdictions outside of Canada and the United States agreed upon by the Corporation and the Joint Bookrunners, provided that no prospectus filing, registration statement, continuous disclosure requirements or comparable obligations arise in such jurisdictions and the Corporation undertakes to provide such supplemental disclosure as required in connection with the offer and sale of the Subscription Receipts in such jurisdictions. The Corporation and the Underwriters acknowledge that all U.S. purchasers must provide letters of representation as may reasonably be required by the Corporation and the Underwriters.
12. Listing. The Subscription Receipts issued pursuant to the offering will be listed and posted for trading on the TSX and the underlying Common Shares will be reserved for listing on the TSX.
13. Closing Date. The closing date will be on April 27, 2017, or such other date as may be mutually agreed to by the Corporation and the Joint Bookrunners, on behalf of the Underwriters.
14. Deliveries at Closing. The obligation of the Underwriters to purchase the Subscription Receipts shall be conditional on the Underwriters receiving on the closing date: (i) customary favourable legal opinions from its counsel and counsel to the Corporation; (ii) comfort letters from the auditors of both the Corporation and WS Atkins plc (the "**Target**"); and (iii) "bring down" certificates from senior officers of the Corporation, all in a form satisfactory to the Underwriters and their counsel, acting reasonably. Settlement of Subscription Receipts issued under the offering, including to U.S. purchasers who certify that they are Qualified Institutional Buyers and execute a required Qualified Institutional Buyer representation letter, shall be made in electronic form only under a single CUSIP number. Subscription Receipts issued to U.S. investors, if any, who subscribe for the Subscription Receipts as "accredited investors" pursuant to Rule 506 of Regulation D under the U.S. Securities Act shall be by delivery of a physical certificate bearing a U.S. restricted securities legend.

15. Regulatory Approvals. The issuance of the Subscription Receipts will be subject to any applicable approvals by all securities regulatory authorities (including any stock exchange) having jurisdiction over the Corporation, and the offering is subject to compliance with any conditions of those approvals. The Corporation hereby agrees to obtain any regulatory, listing and other consents that may be required to permit the offering of the Subscription Receipts in Canada and the listing of the Subscription Receipts on the TSX.
16. Marketing Materials. The Corporation hereby acknowledges that the term sheet attached as Schedule C of this letter agreement constitutes a template version of the marketing materials to be used for the offering (the “**Marketing Materials**”), and each of the Corporation and the Joint Bookrunners, on behalf of the Underwriters hereby approves the Marketing Materials.
17. Filing of Marketing Materials. The Corporation agrees that it will file the Marketing Materials (in the English and French languages as applicable) with all of the securities commissions or securities regulatory authorities in each of the Selling Jurisdictions and, where necessary, with the the Panel on Take-overs and Mergers under the U.K.’s City Code on Take-overs and Mergers, on the date of this letter agreement.
18. Consent to Filing Marketing Materials. Each of the Corporation and the Joint Bookrunners, on behalf of the Underwriters consents to the filing of the Marketing Materials (in the English and French languages as applicable) on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) pursuant to, and within the timeframe specified in, subsection 9A.3(1)(e) of NI 44-102; for greater certainty, term sheets that are “standard term sheets” for the purposes of National Instrument 41-101 – *General Prospectus Requirements* (“**NI 41-101**”) shall not be filed on SEDAR.
19. Compliant Marketing Materials Only. Neither the Corporation nor any of the Underwriters shall “provide” (as that term is to be interpreted under NI 44-102 and the companion policy thereto) the Marketing Materials or any other “standard term sheet” or “marketing materials” (each as defined in NI 41-101) to a potential investor in the offering except in compliance with applicable securities laws. Moreover, the Joint Bookrunners, on behalf of the Underwriters, represent, warrant and covenant that no marketing materials in respect of the Subscription Receipts that would be required to be incorporated by reference into the Base Shelf Prospectus or the Prospectus Supplement have been provided by it to any potential investors of the Subscription Receipts prior to the execution of this Offer.
20. Approval of Template Version of Marketing Materials. In the case of any standard term sheet or any marketing materials proposed to be provided to potential investors in the offering: (i) each of the Corporation and the Joint Bookrunners, on behalf of the Underwriters shall have previously approved in writing a template version of such materials in accordance with the requirements of section 9A.3 of NI 44-102; and (ii) following such approvals being given, the Corporation shall file a template version of any such materials on SEDAR, pursuant to, and within the timeframe specified in, section 9A.3 of NI 44-102 and, where necessary, with the the Panel on Take-overs and Mergers under the U.K.’s City Code on Take-overs and Mergers.

21. Management Cooperation with Marketing. Management of the Corporation agrees to make themselves available to provide such assistance in marketing the offering as the Underwriters may reasonably request and subject to applicable law.
22. Disclosure. The Corporation represents and warrants to the Underwriters that, as of the date hereof, the Corporation is in compliance in all material respects with its continuous disclosure obligations under applicable securities laws including the requirements of the TSX. The Corporation represents and warrants to the Underwriters that, as of the date hereof, there is no adverse material fact or material change (as such terms are defined in applicable Canadian securities legislation relating to the Corporation or the Corporation's subsidiaries (on a consolidated basis) that has not been publicly disclosed. Until the completion of the distribution of the Subscription Receipts under the offering, the Corporation agrees to keep the Underwriters informed of all material business, financial or other developments or information affecting the Corporation and its business on a consolidated basis (actual, proposed or prospective) to the extent relevant to the offering. For greater certainty, in addition to the termination rights provided for in paragraph 7, the Underwriters will be entitled to terminate this letter agreement if a material fact or a material change (as such terms are defined in applicable Canadian securities legislation) which existed prior to the date hereof and had not been publicly disclosed in the Corporation's continuous disclosure documents filed on SEDAR prior to the date hereof comes to the attention of the Underwriters which in each case would, in the Underwriters' reasonable opinion, materially adversely affect the market price or value of the Subscription Receipts or Common Shares.
23. Indemnity. The Corporation will indemnify and hold harmless the Underwriters, their affiliates and the respective directors, officers, agents and employees thereof as provided in the indemnity provisions contained in Schedule A attached hereto, which terms are incorporated into and form part of this letter agreement.
24. Severability. If one or more provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this letter agreement, but this letter agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
25. Survival. Paragraphs 9, 22, 23, 24, 25, 26, 27 and 29 of this letter agreement shall survive the termination of this letter agreement.
26. Governing Law; Counterparts. This letter agreement is made pursuant to and shall be construed in accordance with the laws of the Province of Québec and the laws of Canada applicable therein, and may be signed in counterparts (either in original or facsimile form) and each such counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument.
27. Assignment. This letter agreement and the indemnity provisions contained in Schedule A attached hereto will enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns, and the obligations and liabilities assumed in this letter agreement and in the indemnity letter agreement contained in Schedule A

attached hereto shall be binding upon their respective successors and assigns, provided that no party may assign this letter agreement or any rights or obligations hereunder or thereunder without the prior written consent of the other.

28. Concurrent Private Placement: Concurrent with closing of the Offer, the Corporation will issue 7,775,000 Subscription Receipts at a price of \$51.45 per Subscription Receipt to Caisse de dépôt et placement du Québec on a private placement basis (the “Concurrent Private Placement”). The Subscription Receipts sold pursuant to the Concurrent Private Placement will be subject to a statutory hold period of four months from the closing date. The closing of the Concurrent Private Placement is scheduled to occur on the closing date of the Offer and is subject to a number of conditions. The closing of the Offer is conditional on the concurrent closing of the Concurrent Private Placement.
29. Entire Agreement. This letter agreement constitutes the entire agreement between the Corporation and the Underwriters regarding the Offer and supersedes all prior written or oral agreements and all contemporaneous oral agreements, understanding and negotiations relating thereto.
30. Language. The parties acknowledge that they have agreed that this letter agreement and all documents under or in connection with this letter agreement are to be prepared and executed in the English language only. *Les parties aux présentes ont consenti à ce que la présente convention et tous les documents s’y rattachant soient rédigés et souscrits en anglais seulement et s’en déclarent satisfaites.*
31. The obligations of the Corporation under this letter agreement (including the indemnity provisions contained in Schedule A attached hereto) shall not be personally binding upon, and resort should not be had to, nor shall satisfaction or recourse be sought from, the private property of directors and officers, but the property of the Corporation only shall be bound.
32. The parties acknowledge and agree that a portion of the Public Offering may be subscribed by directors and officers of the Corporation as may be indicated by the Corporation to the Joint Bookrunners and subject to applicable securities laws.

The provisions of this letter agreement shall be superseded in their entirety by the execution of the Underwriting Agreement.

*Note: TD, or an affiliate thereof, owns or controls an equity interest in TMX Group Limited (“TMX Group”) and has a nominee director serving on the TMX Group’s board of directors. As such TD may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the Toronto Stock Exchange, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service.*

We welcome the opportunity to lead this offering of Subscription Receipts on behalf of the Corporation. Should you wish to accept the Offer, please return a signed copy of this letter agreement to our attention prior to 3:00 p.m. (Montreal time) on April 20, 2017.

Yours very truly,

**RBC DOMINION SECURITIES INC.**

Per: *(signed) Patrick Bui*

Name: Patrick Bui

Title: Director

**TD SECURITIES INC.**

Per: *(signed) Eric Morisset*

Name: Eric Morisset

Title: Managing Director

**BMO NESBITT BURNS INC.**

Per: *(signed) Grégoire Baillargeon*

Name: Grégoire Baillargeon

Title: Managing Director and  
Head, Investment & Corporate Banking, Montreal

Accepted and agreed to this 20<sup>th</sup> day of April, 2017.

**SNC-Lavalin Group Inc.**

Per: (signed) Neil Bruce

Name: Neil Bruce

Title: President and Chief Executive Officer

Per: (signed) Sylvain Girard

Name: Sylvain Girard

Title: Executive Vice President and Chief Financial Officer

## SCHEDULE A

### INDEMNITY

In connection with the engagement (the "Engagement") of RBC Dominion Securities Inc., TD Securities Inc. and BMO Nesbitt Burns Inc. (collectively, the "Joint Bookrunners"), on behalf of the syndicate of underwriters (collectively with the Joint Bookrunners, the "Underwriters", each other Underwriter having authorized the Joint Bookrunners to enter into this letter agreement on its behalf) set forth in Schedule B of this letter agreement, pursuant to the engagement letter to which this indemnity agreement is attached (the "Engagement Letter") between the Joint Bookrunners and SNC-Lavalin Group Inc. (the "Corporation") dated April 20, 2017, the Corporation agrees to indemnify and hold harmless the Underwriters, each of their subsidiaries and affiliates and each of their respective directors, officers, employees, partners, agents, each other person, if any, controlling the Underwriters or any of their respective subsidiaries and affiliates (collectively, the "Indemnified Parties" and individually, an "Indemnified Party"), from and against any and all losses (other than loss of profits and consequential damages), expenses, claims (including, without limitation, securityholder or derivative actions, arbitration proceedings or otherwise), actions, suits, proceedings, investigations, inquiries, damages and liabilities, joint or several, including, without limitation, the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations, inquiries or claims and the reasonable fees and expenses of their counsel and other reasonable expenses incurred in connection with any claim, action, suit, proceeding, inquiry or investigation or in enforcing this indemnity (collectively, the "Losses") that may be suffered by, imposed upon or asserted against an Indemnified Party as a result of, in respect of, connected with or arising out of any action, suit, proceeding, investigation or claim that may be made or threatened by any person or in enforcing this indemnity (collectively, the "Claims") insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, (i) any untrue statement or alleged untrue statement of material fact contained in the information (other than any information relating solely to any Underwriter) supplied to any prospective investor by or on behalf of the Corporation or any omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, or (ii) the Engagement. The Corporation agrees to waive any right the Corporation may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under this indemnity. The Corporation also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Corporation or any person asserting Claims on behalf of or in right of the Corporation for or in connection with either (i) or (ii) above, except, in the case of (ii) above only, to the extent any Losses suffered by the Corporation are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted primarily from (1) the gross negligence or fraudulent act of such Indemnified Party or (2) a breach of the terms of the Engagement Letter by such Indemnified Party. The Corporation will not, without the Underwriters' prior written consent, make any admission of liability, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Party from any liabilities arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by or on behalf of any Indemnified Party.

Promptly after receiving notice of a Claim against the Underwriters or any other Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Corporation, the Underwriters or any such other Indemnified Party will notify the Corporation in writing of the particulars thereof, provided that the failure or delay in so notifying the Corporation shall not relieve the Corporation of any liability which the Corporation may have to the Underwriters or any other Indemnified Party except and only to the extent that any such delay in or failure to give notice as herein required materially prejudices the defense of such Claim or results in any material increase in the liability which the Corporation has under this indemnity. The Corporation shall have 14 days after receipt of the notice to undertake the settlement or defense of the Claim, including employment of counsel of its own choosing at its own expense. The relevant Indemnified Parties shall have the right to participate in the settlement or defense of the Claim, provided that the Corporation shall not be required to assume the fees and expenses of counsel to the Indemnified Parties except as set forth below.

The foregoing indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that is not subject to appeal or has become non-appealable shall determine that such Losses to which the Indemnified Party may be subject were primarily caused by (1) the gross negligence, willful misconduct, fraudulent misrepresentation or

fraudulent act of the Indemnified Party or (2) a breach of the terms of the Engagement Letter by such Indemnified Party.

If for any reason (other than a determination as to any of the events referred to immediately above) the foregoing indemnity is found to be unavailable or unenforceable (other than in accordance with the terms hereof) to the Underwriters or any other Indemnified Party or insufficient to hold the Underwriters or any other Indemnified Party harmless in respect of a Claim contemplated by either (i) or (ii) above, the Corporation and the Indemnified Parties shall contribute to the aggregate of all Losses incurred as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Underwriters or any other Indemnified Party on the other hand but also the relative fault of the Corporation, the Underwriters or any other Indemnified Party as well as any relevant equitable considerations; provided that in no event shall an Indemnified Party be liable to pay or contribute under the Claim any amounts in excess of the amount of the fees actually received, if any, by such Indemnified Party under the Engagement Letter. The rights of contribution herein provided shall be in addition to, and not in derogation of, any other right to contribution which the Indemnified Parties may have by statute or otherwise.

The Corporation hereby constitutes the Underwriters as trustee for each of the other Indemnified Parties of the Corporation's covenants under this indemnity with respect to those persons and the Underwriters agree to accept that trust and to hold and enforce those covenants on behalf of those persons.

The Underwriters or any other Indemnified Party may retain counsel in each relevant jurisdiction to separately represent it in the defense or settlement of a Claim, which reasonable fees shall be at the Corporation's expense if (i) the Corporation does not assume the defense of the Claim no later than 14 days after receiving actual notice of the Claim, (ii) the Corporation agrees to separate representation or (iii) the Underwriters are advised in writing by counsel that there is an actual or potential conflict in the Corporation's and the Underwriters respective interests or additional defenses are available to the Underwriters that are not available to the Corporation, which makes representation by the same counsel inappropriate. In no event shall the Corporation be responsible for the fees of more than one firm of attorneys representing any Underwriter or an Indemnified Party, as applicable, in connection with the foregoing.

The obligations of the Corporation hereunder are in addition to any liabilities which the Corporation may otherwise have to the Underwriters or any other Indemnified Party.

The foregoing provisions shall survive the completion of services rendered under or any expiration or termination of the Engagement, in accordance with the Engagement Letter.

DATED as of April 20, 2017

SNC-Lavalin Group Inc.

By: (signed) Neil Bruce

By: (signed) Sylvain Girard

Name (Print): Neil Bruce

Name (Print): Sylvain Girard

Title (Print): President and Chief Executive Officer

Title (Print): Executive Vice-President and Chief  
Financial Officer

**SCHEDULE B**  
**SYNDICATE OF UNDERWRITERS**

RBC Dominion Securities Inc. <sup>1,2</sup>	17.0%
TD Securities Inc. <sup>1,2</sup>	17.0%
BMO Nesbitt Burns Inc. <sup>1,2</sup>	17.0%
Scotia Capital Inc.	9.0%
National Bank Financial Inc.	9.0%
CIBC World Markets Inc.	9.0%
HSBC Securities (Canada) Inc.	8.0%
BNP Paribas (Canada) Securities Inc.	2.5%
Merrill Lynch Canada Inc.	2.5%
Desjardins Securities Inc.	2.5%
Citibank Canada	2.5%
Raymond James Ltd.	2.0%
Canaccord Genuity Corp.	2.0%
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	<b>100.0%</b>

(1) Joint Bookrunners

(2) 5% work fee payable as Joint Bookrunners

## SCHEDULE C

### TERM SHEET

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**SNC-LAVALIN GROUP INC.**  
**TREASURY OFFERING OF SUBSCRIPTION RECEIPTS**

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**APRIL 20, 2017**

*A final base shelf prospectus of SNC-Lavalin Group Inc. dated March 13, 2017 (the “final base shelf prospectus”) containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.*

*This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

**ISSUER:** SNC-Lavalin Group Inc. (the “Corporation”).

**ISSUE:** Treasury offering of 15,550,000 subscription receipts of the Corporation (“Receipts”) (17,105,000 Receipts if the Over-Allotment Option (as defined below) is exercised in full), with each Receipt entitling the holder thereof, without payment of any additional consideration or further action on the part of the holder, to receive one common share of the Corporation (a “Share”) upon the Acquisition Closing (as defined below) (the “Public Offering”).

**AMOUNT:** \$800,047,500 (\$880,052,250 if the Over-Allotment Option is exercised in full).

**ISSUE PRICE:** \$51.45 per Receipt.

**OVER-ALLOTMENT OPTION:** The Corporation has granted the underwriters an option to purchase up to an additional 10% of the Issue at the Issue Price to cover over-allotments, if any, exercisable in whole or in part at any time until the earlier of: (i) the 30<sup>th</sup> day following the Closing Date and (ii) the occurrence of a Termination Event (as defined below) (the “Over-Allotment Option”). In the event the Over-Allotment Option is exercised following the Acquisition Closing, the Corporation shall issue the same number of Shares in lieu of Receipts.

**ACQUISITION:**

On April 20, 2017, the Corporation issued an announcement in the United Kingdom (“U.K.”) of the Corporation’s firm intention to make an offer (the “Offer”) pursuant to Rule 2.7 of the U.K.’s City Code on Takeovers and Mergers setting out the terms of the cash offer by the Corporation for all issued and to be issued shares of ordinary share capital of WS Atkins plc (“Atkins Shares”) to be effected by means of a proposed Court-sanctioned scheme of arrangement under Part 26 of the U.K. Companies Act 2006 (the “Scheme”). When used herein, “Acquisition” refers to the acquisition by the Corporation or a direct or indirect wholly-owned subsidiary, of all of the Atkins Shares pursuant to the Scheme.

The Acquisition is expected to become effective (the “Acquisition Closing”) in the third quarter of 2017 (the “Acquisition Closing Date”) and is subject to the approval by the holders of Atkins Shares, Court (as defined below) sanction and the satisfaction of customary closing conditions, including antitrust approvals.

**CONCURRENT PRIVATE PLACEMENT:**

Concurrent with the Public Offering, the Corporation will issue, at the Issue Price, approximately \$400 million of Receipts (the “Placement Receipts”) to Caisse de dépôt et placement du Québec on a private placement basis (the “Concurrent Private Placement”). The Placement Receipts sold pursuant to the Concurrent Private Placement will be subject to a statutory hold period of 4 months from the Closing Date (as defined below).

The closing of the Concurrent Private Placement is scheduled to occur on the Closing Date and is subject to a number of conditions, including the concurrent closing of the Public Offering.

The closing of the Public Offering is conditional on the concurrent closing of the Concurrent Private Placement.

**USE OF PROCEEDS:**

The net proceeds of the Public Offering and the Concurrent Private Placement will be used by the Corporation, if and when released from escrow, to pay a portion of the purchase price and costs for the Acquisition.

**SUBSCRIPTION RECEIPTS:**

Each Receipt will entitle the holder thereof to receive upon the Acquisition Closing, without payment of any additional consideration or further action on the part of the holder, one Share together with a Dividend Equivalent Payment (as defined herein).

If (i) the notices to be provided to the Subscription Receipt Agent by the Corporation certifying that the Escrow Release Condition (as defined below) has been satisfied and that the Acquisition Closing has occurred, respectively, are not delivered on or prior to 11:59 p.m. (London U.K. time) on July 31, 2017, or such later date as the Corporation and Atkins may agree for purposes of the Acquisition Closing, with the consent of the Panel on Take-overs and Mergers under the U.K.'s City Code on Take-overs and Mergers (the "Panel") and, if required, the approval of the High Court of Justice in England and Wales (the "Court"), which date shall be no later than October 27, 2017; (ii) the resolutions to approve the Scheme are not passed by a majority in number of the holders of Atkins Shares ("Atkins Shareholders") present and voting (and entitled to vote) at the meeting of Atkins Shareholders to be convened pursuant to an order of the Court under the U.K. Companies Act 2006, as amended, for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment thereof (the "Court Meeting"), either in person or by proxy, representing not less than 75% in value of each class of the Atkins Shares held by those Atkins Shareholders; (iii) the resolutions necessary to approve and implement the Scheme are not duly passed by the requisite majority at a general meeting of the Atkins Shareholders to be held for such purpose (which will require the approval of Atkins Shareholders representing at least 75% of the votes cast at such general meeting); (iv) the Scheme is not sanctioned at the hearing of the Court held to sanction the Scheme; (v) the Corporation advises the Joint Bookrunners and the Subscription Receipt Agent or announces to the public that it does not intend to proceed with the Acquisition in such circumstances that may be permitted by the Panel; (vi) the Scheme lapses or is withdrawn and the Corporation does not make a take-over offer under Section 974 of the U.K. Companies Act 2006 (a "Take-Over Offer"); (vii) in the case of a Take-Over Offer, such Take-Over Offer lapses or is withdrawn in such circumstances as may be permitted by the Panel; or (viii) the occurrence of a termination event as such term is defined in the subscription agreement entered into in connection with the Concurrent Private Placement (in any case, the "Termination Date" and each of (i) to (viii) being a "Termination Event"), the holders of Receipts and Placement Receipts will, commencing on the third (3rd) business day following the Termination Date, be entitled to receive an amount (the "Termination Payment") equal to the Issue Price of the Receipt or Placement Receipt, as the case may be, together with interest equal to a *pro rata* portion of the aggregate amount of the interest or other income actually earned on the Escrowed Funds (as defined below) between the Closing Date and the Termination Date, less any applicable withholding taxes.

**DIVIDEND EQUIVALENT  
PAYMENTS:**

Pursuant to the terms of the subscription receipt agreements (the "Subscription Receipt Agreements"), if the Acquisition Closing occurs prior to the Termination Date and record dates for one or more cash dividends on the Shares shall have occurred during the period from, and including, the Closing Date to, but excluding, the Acquisition Closing Date, each holder of a Receipt shall be entitled to receive, without duplication, an amount per Receipt, if any, equal to the amount of such dividend(s), less any applicable withholding taxes (a "Dividend Equivalent Payment"), on the later of the Acquisition Closing Date, or the date the dividend is paid to shareholders.

The declaration and payment of dividends on Shares by the Corporation are at the discretion of the board of directors of the Corporation. Currently, dividends on Shares are payable on a quarterly basis. It is expected that the next dividend payable to holders of Shares will be payable on or about June 1, 2017 to shareholders of record as of May 18, 2017.

Holders of Subscription Receipts are not shareholders of the Corporation and will not have any direct or indirect entitlement whatsoever relating to or arising from any dividends declared or paid on the Common Shares prior to the Acquisition Closing other than any Dividend Equivalent Payment.

**ESCROW CONDITIONS:**

The gross proceeds of the Issue less 50% of the Underwriting Fee in the case of the Public Offering (collectively, the “Escrowed Funds”), and the net proceeds of the Concurrent Private Placement, will be held in separate escrows by the Subscription Receipt Agent, together with any interest and other income earned thereon, and invested in short-term interest bearing or discount debt obligations issued or guaranteed by the Government of Canada, a province of Canada or a Canadian chartered bank provided that such obligation is rated at least A-1 (high) by Standard & Poor’s Ratings Services or R1 (high) by DBRS Inc. (or an equivalent rating by an equivalent rating service) (as contemplated by, or specified in, the Subscription Receipt Agreements), or other approved investments as set forth in the Subscription Receipt Agreements, pending the earlier of the satisfaction of the Escrow Release Condition and the occurrence of a Termination Event. No Dividend Equivalent Payment will be made to holders of Subscription Receipts if a Termination Event occurs. Because 50% of the Underwriting Fee will be paid by the Corporation to the Underwriters on the Closing Date, such amount will not form part of the Escrowed Funds. The Termination Payment will be made from the Escrowed Funds at the time of occurrence of the earliest Termination Event, together with interest or other income actually earned thereon, provided that if the Escrowed Funds, together with any such interest or other income, are insufficient to cover the full amount of the Termination Payment, under the Subscription Receipt Agreement, the Corporation will be required to pay to the Subscription Receipt Agent as agent on behalf of holders of Receipts an amount equal to 50% of the Underwriters’ Fee such that 100% of the gross proceeds of the Public Offering would be returned to holders of Receipts.

Upon (i) the Acquisition Closing in all material respects in accordance with the terms of the Scheme without amendment or waiver of any condition of the Offer that, if not met, would, with the consent of the Panel, allow the Corporation to withdraw and not complete the Offer, or (ii) up to 6 business days prior to the Acquisition Closing, if the conditions, undertakings, and other matters to be satisfied, completed and otherwise met prior to the completion of the Acquisition in accordance with the terms of the Scheme (without amendment or waiver of any condition of the Offer that, if not met, would, with the consent of the Panel, allow the Corporation to withdraw and not complete the Offer), have been satisfied, completed, or otherwise met in all material respects, but for the payment of the purchase price for the Acquisition and such conditions that by their nature are to be satisfied at the Acquisition Closing, and the Corporation has available to it all other funds required to complete the Acquisition, the Corporation will deliver a notice to the Subscription Receipt Agent and the Escrowed Funds and the proceeds of the Concurrent Private Placement (after payment of the subscription fee on the Concurrent Private Placement), together with interest and other income earned thereon, less 50% of the Underwriting Fee from the Public Offering and any amounts required to satisfy payment of any Dividend Equivalent Payment, will be released to or as directed by the Corporation to be used, along with other funds, to complete the Acquisition, all in accordance with the terms of the Subscription Receipt Agreements. When referred to herein, “Escrow Release Condition” means the earliest to occur of (i) or (ii).

**LISTING:** An application has been made to list the Receipts (and the Shares issuable pursuant to the terms of the Receipts) on the Toronto Stock Exchange.

The Shares are currently listed on the Toronto Stock Exchange under the symbol “SNC”.

**FORM OF OFFERING:** Public offering in all provinces of Canada by way of a supplement to the base shelf prospectus dated March 13, 2017.

Eligible for sale in the United States (i) to “qualified institutional buyers” pursuant to Rule 144A of the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or (ii) pursuant to another exemption from registration under the U.S. Securities Act, and in such other jurisdictions outside of Canada determined by the Corporation and the underwriters in a manner that will not trigger registration, prospectus or continuous disclosure requirements in such jurisdictions in accordance with applicable law.

**JOINT BOOKRUNNERS:** RBC Dominion Securities Inc., TD Securities Inc. and BMO Capital Markets.

**FORM OF UNDERWRITING:** Bought deal, not subject to syndication, subject to a mutually acceptable underwriting agreement containing “disaster out”, “regulatory proceedings out” and “material adverse change or adverse change in material fact out” clauses running to closing of the Public Offering.

**ELIGIBILITY FOR INVESTMENT:** Eligible for RRSPs, RESPs, RRIFs, RDSPs, TFSAs and DPSPs.

**UNDERWRITING FEE:** 4.0% of the gross proceeds of the Public Offering. Of the total Underwriting Fee, 50% will be payable upon the closing of the Public Offering and the remaining 50% of the Underwriting Fee will be paid upon the release of the Escrowed Funds as set forth above. In the event the Escrowed Funds are refunded to purchasers following the occurrence of a Termination Event, the Underwriting Fee will be reduced to the amount paid upon the closing of the Public Offering.

**CLOSING:** On or about April 27, 2017 (the “Closing Date”). Closing of the Public Offering is contingent on the closing of the Concurrent Private Placement.

**SCHEDULE D**  
**PRESS RELEASE**

See attached.



FOR IMMEDIATE RELEASE

## SNC-Lavalin to acquire WS Atkins to greatly expand our global consulting, design and project management capabilities

**NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.**

- › *Creates a \$12.1 billion global professional services and project management company with 53,000 employees*
- › *Significantly improves SNC-Lavalin's overall margins, and further balances the business portfolio*
- › *Enhances SNC-Lavalin's global position and addressable market in infrastructure, rail & transit, and nuclear*
- › *Combines two highly complementary businesses and increases both geographic reach and customer diversification globally*
- › *SNC-Lavalin estimates a purchase price multiple of 9.8x for the trailing 12-month adjusted EBITDA<sup>1</sup> post synergies<sup>2</sup> and including the pension deficit<sup>3</sup>*
- › *Expected to deliver approximately \$120 million of cost synergies by the end of the first full financial year after the effective date*
- › *Improves balance sheet efficiency by leveraging equity stake in Highway 407 ETR, while maintaining our investment grade rating*

**MONTREAL: April 20, 2017** - SNC-Lavalin Group Inc. (TSX: SNC) ("SNC-Lavalin" or the "Corporation") is pleased to announce that it has reached an agreement with WS Atkins plc ("Atkins"), approved by the boards of directors of both companies, on the terms of a cash acquisition by which SNC-Lavalin will acquire the entire issued and to be issued share capital of Atkins for £20.80 per share in cash, representing an aggregate cash consideration of \$3.6 billion\*.

Headquartered in the UK, Atkins is one of the world's most respected consultancies in design, engineering and project management, with a leadership position across the infrastructure, transportation and energy sectors. Tracing its roots back to 1938, Atkins today has 18,000 employees with revenues of approximately £2.0 billion in 2016, and is geographically diversified in the US, Middle East and Asia, together with a leading position in the UK and Scandinavia.



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*“We are very pleased to announce this proposed acquisition that is fully aligned with our growth strategy, creating a global fully integrated professional services and project management company – including capital investment, consulting, design, engineering, construction, sustaining capital and operations and maintenance. By combining two highly complementary businesses, we will increase our depth and breadth of services to position us as a premier partner to public and private sector clients,” said Neil Bruce, President & CEO. “It also creates new revenue growth opportunities in key geographies by positioning us to capitalize on increased cross-selling and the opportunity to win and deliver major projects in new regions. I look forward to welcoming Atkins’ employees into our combined company. Together, we will become part of a larger global organization that will open the door to new opportunities for further growth and development.”*

### **Business Rationale**

- › Brings to SNC-Lavalin new and complementary capabilities in three of its four sectors, and with essentially no overlap in its service offering, with significant presence in Europe, UK, Scandinavia, the US, Middle East and Asia.
- › Further reduces SNC-Lavalin’s business risk profile with ongoing revenue streams from framework and master service agreements for consulting and advisory services, as well as fixed fee consultancy and design projects.
- › Improves SNC-Lavalin’s overall margins by adding a significant amount of consistent comparatively high-margin revenue.
- › Significantly increases SNC-Lavalin’s global customer base and expands and deepens the areas of the market that the combined entity can service.
- › Uniquely positions the combined entity to capitalize on the significant investment in infrastructure projects globally but principally in North America.
- › Positions the combined entity to win wider nuclear work; maintenance and decommissioning in particular, as one of the most compelling nuclear services firms.
- › Deepens SNC-Lavalin’s project management, design, consulting, and engineering capabilities to create a more comprehensive end-to-end value chain for the combined entity – including capital investment, consulting, design, engineering, construction, sustaining capital and operations and maintenance.
- › Creates a more agile, responsive and competitive combined organization with enhanced scale and vertical integration that can better meet client needs and create cross-selling opportunities.
- › Combines two strong and compatible management teams, with the proven experience to execute a successful and timely integration plan. SNC-Lavalin has a strong track record of successful integrations, combining best practices from each organization and achieving synergy targets.
- › As a Canadian global champion headquartered in Montreal, the acquisition would solidify SNC-Lavalin’s position as one of the largest fully integrated professional services firms globally.



SNC-Lavalin considers that Atkins' employees will be a key factor in maximizing the opportunities that the acquisition will present and the executive leadership of the combined entity will also aim to retain the best talent across Atkins and SNC-Lavalin.

As part of the integration process, a review of the Atkins businesses will be completed with the Atkins leadership team to determine any organizational and structural changes that should be implemented to benefit the combined entity. SNC-Lavalin does not expect this integration review to have a material impact on the continued employment of Atkins' employees.

Consistent with the extensive succession planning work completed by Atkins and the Atkins Directors, Heath Drewett, the current Group Finance Director and Executive Director of Atkins will, upon successful completion of the acquisition, be promoted to lead Atkins within the combined entity. Heath Drewett will report into SNC-Lavalin's President and Chief Executive Officer and become a member of SNC-Lavalin's executive committee.

James Cullens, Group Director Human Resources & Marcomms and Executive Director of Atkins, will remain with the combined entity and support SNC-Lavalin with key integration and people-related matters following the successful completion of the acquisition. James' extensive experience, both at Atkins and in his prior career, is aligned with the needs of the combined entity. It is therefore anticipated that, subject to mutual agreement, towards the end of the year, James will assume the position of Executive Vice-President, Human Resources, for the combined organization.

## Financial Highlights

Under the terms of the acquisition, each Atkins shareholder will be entitled to receive £20.80 in cash for each Atkins share.

The acquisition represents an enterprise value of \$4.2 billion, including the pension deficit. This represents an estimated purchase price multiple of 9.8x for the 12-month adjusted EBITDA<sup>1</sup> post synergies<sup>2</sup> and including pension deficit<sup>3</sup>.

The acquisition is expected to be immediately accretive to SNC-Lavalin's consolidated and E&C adjusted earnings per share before any revenue and cost synergies.

The acquisition will create growth and expansion of services and revenue. It is also expected to deliver approximately \$120 million in cost synergies in both current organizations by the end of the first full financial year after the effective date, that would include, for example eliminating corporate and listing costs, optimizing corporate functions and shared services, streamlining IT systems, and office consolidation where appropriate.

The acquisition financing structure preserves SNC-Lavalin's balance sheet strength and leverages SNC-Lavalin's equity stake in the Highway 407 ETR, while retaining its equity ownership. The acquisition will be funded through a combination of equity and debt issuance, and supported by Caisse de dépôt et placement du Québec ("CDPQ"), SNC-Lavalin's largest shareholder. The funding includes a \$1.5 billion loan from CDPQ, an \$800 million public bought deal offering, a \$400 million private placement with CDPQ, as well as a £300 million term loan, and an approximately £350 million draw on our current credit facility.



Additionally, SNC-Lavalin expects to maintain its investment-grade rating following the closing of the acquisition.

### **Acquisition Financing**

- › \$1.5 billion loan from CDPQ to SNC-Lavalin Highway Holdings Inc. (the entity that holds SNC-Lavalin's 16.77% interest in Highway 407ETR through 407 International Inc.).
- › \$800 million public subscription receipts on a bought deal basis backstopped by an \$800 million unsecured bridge credit facility with a syndicate of North American banks.
- › \$400 million privately placed subscription receipts with CDPQ backstopped by a \$400 million unsecured bridge credit facility with CDPQ.
- › Approximately £350 million to be drawn under the Corporation's existing \$4.25 billion syndicated credit facility backstopped by a £400 million unsecured bridge credit facility with a syndicate of North American banks.
- › A new £300 million unsecured term loan with a syndicate of North American banks.

### ***SNC-Lavalin Highway Holdings Loan with CDPQ***

Concurrently with the announcement of the acquisition, SNC-Lavalin Highway Holdings Inc. ("SNC-Lavalin Highway Holdings") and CDPQ entered into a loan agreement in the original principal amount of \$1.5 billion. This loan is secured by the full value of SNC-Lavalin Highway Holdings' shares and the cash flows generated from such shares. The loan has been structured to be of a non-recourse nature as against the Corporation.

### ***Public Offering of Subscription Receipts on a Bought Deal Basis***

To finance the payment of a portion of the purchase price and related expenses, SNC-Lavalin has entered into an agreement with a syndicate of underwriters co-led by RBC Capital Markets, TD Securities and BMO Capital Markets (collectively, the "Co-Lead Underwriters") to sell, on a bought deal basis, subscription receipts (the "Subscription Receipts") of SNC-Lavalin from treasury at a price of \$51.45 per Subscription Receipt (the "Offer Price"). The agreement with the Co-Lead Underwriters includes the issuance of 15,550,000 Subscription Receipts for gross proceeds of \$800 million (the "Offering"). In addition, the underwriters have been granted an over-allotment option, exercisable in whole or in part at the Offer Price for a period of 30 days from the closing date of the Offering, for additional gross proceeds of up to approximately \$80 million. The Subscription Receipts will be offered in all provinces of Canada, pursuant to a prospectus supplement to SNC-Lavalin's short form base shelf prospectus dated March 13, 2017 to be filed in each of the provinces of Canada by SNC-Lavalin.



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The proceeds from the Offering will be held in escrow pending the completion of the acquisition. If the acquisition is completed on or prior to 11:59 pm (London, UK time) on July 31, 2017 (or such later date as SNC-Lavalin and Atkins may agree for purposes of the acquisition closing, subject to regulatory consents and court approvals, which date shall be no later than October 27, 2017), the net proceeds will be released to the Corporation and each holder of a Subscription Receipt will receive, without additional consideration and without further action, one common share of SNC-Lavalin (the "Common Shares") for each Subscription Receipt held upon closing of the acquisition together with, without duplication, an amount, if any, equal to the amount per Common Share of any dividends for which record dates have occurred during the period from the date of the Offering closing to the date immediately preceding the date of the acquisition closing, less any applicable withholding taxes. If the acquisition does not occur on or prior to 11:59 pm (London, UK time) on July 31, 2017 (or such later date as SNC-Lavalin and Atkins may agree for purposes of the acquisition closing, subject to regulatory consents and court approvals, which date shall be no later than October 27, 2017), if the proposed scheme of arrangement in respect of the acquisition is not approved by the requisite majority of Atkins shareholders or not court sanctioned, or lapses or is withdrawn; or if the Corporation advises the Co-Lead Underwriters or announces to the public that it does not intend to proceed with the acquisition, the holders of Subscription Receipts will receive a cash payment equal to the offering price of the Subscription Receipts plus their pro rata share of the interest actually earned on the escrowed funds during the term of the escrow. 50% of the underwriters' fee in the aggregate amount of \$16 million, assuming no exercise of the over-allotment option, representing 4% of the aggregate gross proceeds of the Offering, will be paid upon closing of the Offering and the other 50% will be paid upon closing of the acquisition.

The issuance of the Subscription Receipts and underlying Common Shares pursuant to the Offering are subject to customary approval of the Toronto Stock Exchange. Closing of the Offering is expected to occur on or about April 27, 2017.

Neither the Subscription Receipts nor the underlying Common Shares offered have been, and they will not be, registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act"), as amended, and such securities may not be offered or sold in the United States, absent registration or an applicable exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Subscription Receipts or the underlying Common Shares. The offering or sale of the Subscription Receipts and the underlying Common Shares shall not be made in any jurisdiction in which such offer, solicitation or sale would be unlawful.

#### *Concurrent Private Placement of Subscription Receipts*

SNC-Lavalin has also entered into a subscription agreement with CDPQ pursuant to which SNC-Lavalin and CDPQ have agreed that CDPQ will purchase on a "private placement" basis in Canada, 7,775,000 Subscription Receipts (the "Placement Subscription Receipts") at a price of \$51.45 per Placement Subscription Receipt for gross proceeds to SNC-Lavalin of \$400 million upon closing (the "Concurrent Private Placement"). Upon closing of the acquisition, CDPQ will be entitled to a non-refundable capital commitment payment equal to 4% of the aggregate purchase price for the Placement Subscription Receipts for which it has subscribed.

Completion of the Concurrent Private Placement is subject to a number of conditions, including the concurrent closing of the Offering. Completion of the Offering is conditional upon the concurrent closing of the Concurrent Private Placement.

#### *Other Credit Facilities and Arrangements*

Concurrently with the announcement of the acquisition, the Corporation entered into a new £300 million unsecured term loan with a syndicate of North American banks and the Corporation intends to draw approximately £350 million under its existing \$4.25 billion syndicated credit facility to pay the balance of the purchase price and acquisition-related costs.

The various elements of the Corporation's financing of the acquisition are collectively designed to ensure compliance with the "certain funds" requirements of the UK City Code on Takeovers and Mergers.

As neither the Offering nor the Concurrent Private Placement is being made on a "certain funds" basis, concurrently with the announcement of the acquisition, the Corporation also entered into (i) an \$800 million unsecured bridge credit facility with a syndicate of North American banks to backstop the Offering, and (ii) a \$400 million unsecured bridge credit facility with CDPQ to backstop the Concurrent Private Placement.

Each of the Corporation's existing Syndicated Credit Facility, the new Term Loan and the backstop facilities for the Offering and the Concurrent Private Placement contain customary representations, warranties, conditions precedent, covenants, a leverage ratio and events of default.

All of the above elements of the acquisition financing plan, including the nature of the SNC-Lavalin Highway Holdings Loan, have been designed and structured with a view to preserving SNC-Lavalin's investment grade rating.

#### *Advisors*

RBC Capital Markets is acting as financial adviser and corporate broker to SNC-Lavalin. SNC-Lavalin's legal adviser is Norton Rose Fulbright. SNC-Lavalin's accountants are Deloitte LLP. Maitland acted as financial communications consultants.

#### **OFFER DETAILS AND TIMETABLE**

It is intended that the acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the U.K. Companies Act 2006. The purpose of the Scheme is to provide for SNC-Lavalin to indirectly become the owner of the entire issued and to be issued share capital of Atkins.



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Details of the proposed acquisition will be sent to Atkins shareholders within 28 days of the date of this announcement (unless the Panel on Take-overs and Mergers under the U.K.'s City Code on Take-overs and Mergers agrees otherwise). Subject, amongst other things, to the satisfaction or waiver of the conditions, the approval of the scheme of arrangement by the Atkins shareholders, the receipt of applicable regulatory approvals and the Court's sanction of the scheme of arrangement, it is expected that the acquisition will be completed in the third quarter of 2017.

All relevant documentation will be made available on SNC-Lavalin's website at [www.snclavalin.com](http://www.snclavalin.com).

## **2017 OUTLOOK UPDATE AND FIRST QUARTER**

SNC-Lavalin's first quarter results, to be announced on May 4, 2017, remain broadly in-line with management's expectations. SNC-Lavalin is also reaffirming its full year 2017 outlook provided on March 2, 2017 with respect to adjusted diluted EPS from E&C of \$1.70 to \$2.00, without taking into account the proposed acquisition or related financing<sup>4</sup>.

All dollar figures in this press release are Canadian dollars unless otherwise indicated.

\* Based on the above offer price of £20.80 per Atkins share, multiplied by 100,110,799 Atkins shares in issue (excluding 4,341,000 ordinary shares held in treasury) as specified in the Rule 2.9 announcement published by Atkins on April 3, 2017 and by the GBP: CAD exchange rate of 1.7229 (as of 5.00 p.m. U.K. time on 19 April 2017 as per Bloomberg).

<sup>1</sup> Adjusted EBITDA of Atkins calculated as reported underlying EBITDA of Atkins during the twelve month period ended September 30, 2016 of £181M. See the Non-IFRS Measures section included in this news release for a reconciliation of underlying EBITDA of Atkins to operating profit.

<sup>2</sup> Expected identified cost synergies of \$120M in both current organizations by the end of the first full financial year after the effective date.

<sup>3</sup> Net post-employment benefit liability of £424M (calculated as net retirement benefit liability of £414M, plus other post-employment benefit liabilities of £23M, less net retirement benefit assets of £12M), less income tax on net retirement benefit liability of £68M, as reported in Atkins' H1 2017 statements.

<sup>4</sup> Management's expectations with respect to the first quarter results are based on the information currently available and are subject to the completion of financial closing procedures, final adjustments and other developments that may arise between now and the time the first quarter 2017 financial results are finalized. It is possible that final reported results may not be what is currently expected.

The 2017 outlook update is based on the assumptions and methodology described in SNC-Lavalin's 2016 Management's Discussion and Analysis under the heading, "How We Budget and Forecast Our Results", which



should be read in conjunction with the “Forward-Looking Statements” section below and is subject to the risks and uncertainties summarized therein, which are more fully described in SNC-Lavalin’s public disclosure documents.

## CONFERENCE CALL / WEBCAST

SNC-Lavalin will hold a conference call today at 4:45 pm Eastern Time to discuss the proposed acquisition of Atkins. The public is invited to listen to the conference call. Participants will be Neil Bruce, President and Chief Executive Officer and Sylvain Girard, Executive Vice-President and Chief Financial Officer. To join the conference call, please dial toll free at 1 866 564 7439 in North America, 416 642 5209 in Toronto, 438 968 3557 in Montreal, 080 0279 6839 in the United Kingdom, or 180 083 2679 in Ireland. A live audio webcast of the conference call and an accompanying slide presentation will be available at [investors.snclavalin.com](http://investors.snclavalin.com). A recording of the conference call will be available on our website within 24 hours following the call.

## About SNC-Lavalin

*Founded in 1911, SNC-Lavalin is one of the leading engineering and construction groups in the world and a major player in the ownership of infrastructure. From offices in over 50 countries, SNC-Lavalin's employees are proud to build what matters. Our teams provide engineering, procurement, construction, completions and commissioning services together with a range of sustaining capital services to clients in four industry sectors, oil and gas, mining and metallurgy, infrastructure and power. SNC-Lavalin can also combine these services with its financing and operations and maintenance capabilities to provide complete end-to-end project solutions. [www.snclavalin.com](http://www.snclavalin.com)*

## About Atkins

*Atkins ([www.atkinsglobal.com](http://www.atkinsglobal.com)) is one of the world's most respected design, engineering and project management consultancies, employing some 18,300 people across the UK, North America, Middle East, Asia Pacific and Europe. We build long term trusted partnerships to create a world where lives are enriched through the implementation of our ideas. You can view Atkins' recent projects on our website.*

## NON-IFRS MEASURES

Some of the indicators used by SNC-Lavalin to analyze and evaluate its results are non-IFRS financial measures. Consequently, they do not have a standardized meaning as prescribed by IFRS, and therefore may not be comparable to similar measures presented by other issuers. SNC-Lavalin also uses additional IFRS measures. Management believes that these indicators provide useful information because they allow for the evaluation of the performance of SNC-Lavalin and its components based on various aspects, such as past, current and expected profitability and financial position.



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This news release uses the following non-IFRS financial measures: adjusted EBITDA, adjusted EPS and adjusted E&C EPS. Management uses these measures as a more meaningful way to compare SNC-Lavalin's financial performance from period to period. Please refer to SNC-Lavalin's Management Discussion and Analysis incorporated by reference in the prospectus supplement to SNC-Lavalin's short form base shelf prospectus dated March 13, 2017 to be filed in each of the provinces of Canada by SNC-Lavalin on SEDAR at [www.sedar.com](http://www.sedar.com) for the definitions of all non-IFRS financial measures and additional IFRS measures and, when applicable, a clear quantitative reconciliation from the non-IFRS financial measures to the most directly comparable measure calculated in accordance with IFRS.

Adjusted net income from E&C is defined as net income attributable to SNC-Lavalin shareholders from E&C, excluding one-time net foreign exchange gains, charges related to restructuring, right-sizing and other, as well as amortization of intangible assets, the financing, acquisition-related costs and integration costs incurred in connection with the acquisition of Kentz in 2014 and the loss on disposals of E&C businesses. E&C is defined in SNC-Lavalin's 2016 financial statements and Management's Discussion and Analysis. The term "Adjusted net income 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 SNC-Lavalin'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 SNC-Lavalin's performance. See reconciliation below.

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

The following table sets forth detailed reconciliation of a non-IFRS measure used in this news release (underlying EBITDA of Atkins) to the nearest or most equivalent IFRS measure (operating profit of Atkins).

Atkins	Last Twelve Months Ended September 30, 2016
In £ millions	
<b>Revenue</b>	<b>1,952.0</b>
Cost of sales	(1,174.7)
<b>Gross Profit</b>	<b>777.3</b>
Administrative expenses	(670.4)
<b>Operating Profit</b>	<b>106.9</b>
Exceptional items	4.6
Impairment of goodwill	18.5
Amortisation and impairment of acquired intangibles	21.1
Deferred acquisition payments	3.4
<b>Underlying Operating Profit</b>	<b>154.5</b>
Net (loss) / profit on disposal of business / non-controlling interests	0.5
Income from other investments	0.5
Share of post-tax profit from joint ventures	2.6
<b>Profit Before Interest and Tax</b>	<b>110.5</b>
Depreciation	18.7
Amortisation and impairment	44.0
<b>EBITDA</b>	<b>173.2</b>
Net loss / (profit) on disposal of businesses	(0.5)
Exceptional items	4.6
Deferred acquisition payments	3.4
<b>Underlying EBITDA</b>	<b>180.7</b>

## FORWARD-LOOKING STATEMENTS

This press release contains statements that are or may be “forward looking statements” or “forward looking information” within the meaning of applicable Canadian securities laws, including those regarding the proposed acquisition by SNC-Lavalin of all of the outstanding shares of Atkins (the “Acquisition”) and the expected impact of the Acquisition on SNC-Lavalin’s strategic and operational plans and financial results. Statements made in this press release that describe SNC-Lavalin’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”, “aligns”, “anticipates”, “assumes”, “believes”, “continue”, “cost savings”, “could”, “estimates”, “expects”, “foresees”, “goal”, “intends”, “maintain”, “may”, “plans”, “projects”, “should”, “strategy”, “synergies”, “targets”, “will”, “would”, the negative thereof, other variations thereon or



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similar terminology, as they relate to SNC-Lavalin, Atkins or the combined entity following the Acquisition. Forward-looking statements also include any other statements that do not refer to historical facts. Forward-looking statements also include, but are not limited to, future capital expenditures, revenues, expenses, earnings, economic performance, cash flows, indebtedness, financial condition, losses and future prospects; and business and management strategies and expansion and growth prospects of SNC-Lavalin's and the combined entity's operations following the Acquisition. The pro forma information set forth in this press release should not be considered to be what the actual financial position or other results of operations would have necessarily been had the Acquisition been completed as, at, or for the periods stated. All such forward-looking statements are made pursuant to the "safe-harbour" provisions of applicable Canadian securities laws. SNC-Lavalin cautions that, by their nature, forward-looking statements involve known and unknown 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 SNC-Lavalin's current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of SNC-Lavalin's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes. This press release also contains forward-looking statements with respect to: the bought deal public offering and the concurrent private placement and expected timing thereof and use of proceeds therefrom; expected SNC-Lavalin financial performance; SNC-Lavalin's business model and acquisition strategy; the indebtedness to be incurred under the various elements and components of the Acquisition financing plan and the use thereof; the expected completion of the Acquisition and timing thereof; the aggregate cash consideration payable by SNC-Lavalin in connection with the Acquisition and the anticipated sources of financing thereof; the fact that closing of the Acquisition is conditioned on certain events occurring, and the receipt of all necessary regulatory (including antitrust), shareholder, court and stock exchange approvals; the anticipated consolidated indebtedness of SNC-Lavalin after giving effect to the Acquisition and certain other transactions; anticipated benefits of the Acquisition (including the impact of the Acquisition on SNC-Lavalin's size, operations, infrastructure, capabilities, development, growth and other opportunities, geographic reach, business portfolio, market position, financial condition, balance sheet, risk profile, margins, cash flow profile, access to capital and overall strategy); the attractiveness of the Acquisition from a financial perspective in various financial metrics; expectations regarding accretion and contribution to earnings, margins and revenues and overall quality thereof, the addition of long-term revenue opportunities, the generation of consistent high-margin revenues, and margin expansion; the ability of SNC-Lavalin to achieve various financial targets following the Acquisition; the ability of the combined entity to capitalize on the global nuclear, power, infrastructure and transportation spending trends and on large scale infrastructure projects; the potential to significantly increase SNC-Lavalin's global customer base, expand and deepen the areas of the market the combined entity can address, and the manner thereof; the growth opportunities associated with Atkins' business and the combined entity in key geographies, the ability of the combined entity to benefit therefrom and the manner of achieving such growth; expectations regarding the customer, geographical and sector diversification and global footprint of the combined business; the ability of the combined entity to maintain long-term, repeat business with key clients and to better meet client needs and create cross-selling opportunities; the belief that SNC-Lavalin is well positioned, operationally and financially, to commence its next phase of growth and build a global E&C powerhouse; the expectation of added stability to SNC-Lavalin's margin and cash flow profile with inherently low financial risk leading to consistent and predictable margin profile; SNC-Lavalin's ability to create a global, fully integrated professional services and project management company and build a more resilient



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business model; the strength of SNC-Lavalin's position as a premier partner to public and private sector clients; the governance of Atkins after the Acquisition, the leveraging of respective core competencies and strategies, the retention and role of Atkins employees and the holding of significant roles for existing Atkins management; the growth of the employee base of the combined entity and the value and capabilities of such employees; the liquidity of the combined entity and its ability to maintain an investment grade credit rating and to continue servicing Atkins' pension deficit; the maintenance of SNC-Lavalin's existing dividend policy; the strength of the combined entity as a nuclear services company, and its ability to win and deliver various projects; expectations regarding the strength, complementarity and compatibility of Atkins with SNC-Lavalin's existing business and management teams; expectations regarding the market positioning of the combined entity; expectations regarding GDP growth rates in global infrastructure investments; expectations regarding the integration of SNC-Lavalin and Atkins and timing thereof; expectations regarding anticipated cost savings, operating efficiencies and operational, competitive and cost synergies resulting from the Acquisition, and the manner of achieving such synergies; and expectations regarding the potential to realise incremental revenue synergies within the combined entity, and minimise potential revenue cannibalisation.

Although SNC-Lavalin believes that the expectations, opinions, projections, and comments reflected in these forward-looking statements are reasonable and appropriate, it can give no assurance that such statements will prove to be correct. The assumptions are set out throughout SNC-Lavalin's 2016 Management's Discussion and Analysis filed with the securities regulatory authorities in Canada, available on SEDAR at [www.sedar.com](http://www.sedar.com) or on SNC-Lavalin's website at [www.snclavalin.com](http://www.snclavalin.com) under the "Investors" section (the MD&A) (particularly, in the sections entitled "Critical Accounting Judgments and Key Sources of Estimation Uncertainty" and "How We Analyze and Report our Results") and, in relation to the Acquisition, the bought deal public offering and the concurrent private placement, include the following material assumptions: the satisfaction of all conditions of closing and the successful completion of, each of the bought deal public offering, the concurrent private placement and the Acquisition within the anticipated timeframe, including receipt of regulatory (including antitrust), shareholder, court and stock exchange approvals; the availability of borrowings to be drawn down under, and the utilization of, various elements and components of the Acquisition financing plan in accordance with their respective terms; the maintenance of SNC-Lavalin's investment grade credit rating; fulfillment by the underwriters of their obligations pursuant to the underwriting agreement and by CDPQ of its obligations pursuant to the subscription agreement; that no event will occur which would allow the underwriters to terminate their obligations under the underwriting agreement, or which would allow CDPQ to terminate its obligations under the subscription agreement; the successful and timely integration of SNC-Lavalin and Atkins and the realization of the anticipated benefits and synergies of the Acquisition to SNC-Lavalin in the timeframe anticipated, including impacts on growth and accretion in various financial metrics; that no superior acquisition proposal will be received or approved by Atkins' board of directors and no such superior acquisition proposal will become effective, become or be declared unconditional; the ability of the combined entity to retain key employees of Atkins and its subsidiaries, and the value of such key employees; the realization of expected GDP growth rates in global infrastructure investments, the continued need for significant upgrading of ageing infrastructure in the U.S. and expected wave of large scale infrastructure projects globally; the ability of SNC-Lavalin to satisfy its liabilities and meet its debt service obligations prior to and following completion of the Acquisition, and to continue servicing Atkins' pension deficit; the ability of SNC-Lavalin to access the capital markets prior to and following the Acquisition; the absence of significant undisclosed costs or liabilities associated with the Acquisition; the accuracy and completeness of Atkins' public and other disclosure; the absence of significant changes in foreign currency exchange rates or significant variability in



interest rates; the ability to hedge exposures to fluctuations in interest rates and foreign exchange rates; no material adverse regulatory decisions being received and the expectation of regulatory stability; no significant operational disruptions or liability due to a catastrophic event or environmental upset caused by severe weather, other acts of nature or other major events; no severe and prolonged downturn in economic conditions; sufficient liquidity and capital resources; the continuation of observed weather patterns and trends; no significant counterparty defaults; the continued availability of industry-leading design, consulting and high-end engineering professionals; the absence of significant changes in taxation and environmental laws and regulations that may materially negatively affect the operations and cash flows of the combined entity; no material change in public policies and directions by governments that could materially negatively affect the combined entity; the maintenance of adequate insurance coverage; the ability to obtain and maintain licences and permits; and no material changes in market conditions.

If these assumptions are inaccurate, SNC-Lavalin's, Atkins' or the combined entity's actual results could differ materially from those expressed or implied in such forward-looking statements. In addition, important risk factors could cause SNC-Lavalin's, Atkins' or the combined entity'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, those described under the sections "Risks and Uncertainties", "How We Analyze and Report Our Results" and "Critical Accounting Judgments and Key Sources of Estimation Uncertainty" in SNC-Lavalin's 2016 MD&A and, with respect to the proposed Acquisition, the bought deal public offering and the concurrent private placement discussed herein specifically, potential risks include: the failure to receive or delay in receiving regulatory approvals (including antitrust and stock exchange), shareholder or court approval or otherwise satisfy the conditions to the completion of the Acquisition or delay in completing the Acquisition and uncertainty regarding the length of time required to complete the Acquisition; the possibility that even if the Acquisition is approved by Atkins' shareholders and court sanctioned, the Acquisition will not close or that its closing may be delayed; the possibility that SNC-Lavalin be required to pay Atkins a break-fee in certain circumstances; the failure to receive regulatory approvals (including stock exchange) or otherwise satisfy the conditions to the completion of the bought deal public offering and the concurrent private placement or delay in completing the bought deal public offering and the concurrent private placement and the funds thereof not being available to SNC-Lavalin in the time frame anticipated or at all; the occurrence of an event which would allow the underwriters to terminate their obligations under the underwriting agreement or which would allow CDPQ to terminate its obligations under the subscription agreement; potential unavailability of various elements and components of the Acquisition financing plan; alternate sources of funding that would be used to replace the various elements and components of the Acquisition financing plan may not be available when needed, or on desirable terms; increased indebtedness of SNC-Lavalin after the closing of the Acquisition; the failure by SNC-Lavalin to satisfy its liabilities and meet its debt service obligations prior to and following completion of the Acquisition or to continue servicing Atkins' pension deficit; the risk that SNC-Lavalin's or Atkins' business will be adversely impacted during the pendency of the Acquisition; lack of control by SNC-Lavalin on Atkins and its subsidiaries prior to the closing of the Acquisition; the risk that the Acquisition could result in a downgrade of SNC-Lavalin's credit ratings; potential undisclosed costs or liabilities associated with the Acquisition, which may be significant; impact of acquisition-related expenses; inaccurate or incomplete Atkins publicly disclosed information; historical and pro forma combined financial information may not be representative of future performance; the failure to retain Atkins' personnel and clients following the Acquisition and risks associated with the loss and ongoing replacement of key personnel; the impact of the announcement of the Acquisition on SNC-Lavalin's and Atkins' relationships with third parties, including commercial counterparties,



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employees and competitors, strategic relationships, operating results and businesses generally; the failure to realize, in the timeframe anticipated or at all, the anticipated benefits and synergies of the Acquisition, including without limitation revenue growth, anticipated cost savings or operating efficiencies and operational, competitive and cost synergies; the possibility that SNC-Lavalin's integration plan for Atkins could be ill-conceived or poorly executed and result in loss of customers, employees, suppliers or other benefits and goodwill of the Atkins business; factors relating to the integration of SNC-Lavalin and Atkins (such as the impact of significant demands placed on SNC-Lavalin and Atkins as a result of the Acquisition, the time and resources required to integrate both businesses, diversion of management time on integration-related issues, unanticipated costs of integration in connection with the Acquisition, including operating costs or business disruption being greater than expected, and the difficulties and delays associated with such integration); the possibility that Atkins' board of directors could receive and approve a superior acquisition proposal or a superior acquisition proposal becomes effective, becomes or is declared unconditional; and exchange rate risk and foreign currency exposure risk.

SNC-Lavalin cautions that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to SNC-Lavalin and Atkins or that SNC-Lavalin and Atkins presently believe are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Accordingly, there can be no assurance that the proposed Acquisition will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized in their entirety, in part or at all.

The forward-looking statements contained in this press release are expressly qualified in their entirety by the foregoing cautionary statements. The forward-looking statements herein reflect SNC-Lavalin's expectations as at the date hereof, and are subject to change after this date. SNC-Lavalin does not undertake any obligation 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. All subsequent oral or written forward looking statements attributable to SNC-Lavalin or any of its directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

Financial outlook information contained in this press release about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information available as of the date of this press release. Readers are cautioned that such financial outlook information contained in this press release should not be used for the purposes other than for which it is disclosed herein or therein, as the case may be.

Readers are also referred to cautionary language regarding forward-looking statements included in the applicable prospectus supplement.



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## SCHEDULE E

### TERMINATION EVENTS

In addition to any other remedies which may be available to the Underwriters, any Underwriters shall be entitled, at the Underwriters' option, to terminate and cancel, without any liability on such Underwriter's part, the Underwriters' obligations under this letter agreement by giving the Corporation written notice to that effect at or prior to the closing of the offering if, during the period from the date hereof to the closing of the offering, any of the following occurs:

- (a) any order to cease or suspend trading in any securities of the Corporation, or prohibiting or restricting the distribution of the Subscription Receipts or Common Shares is made, or any proceeding is announced or commenced for the making of any such order, by any securities regulatory authority, any stock exchange or by any other competent authority (other than primarily as a result of any act or omission of the Underwriter contrary to the terms of this letter agreement or of the Underwriting Agreement), and has not been rescinded, revoked or withdrawn;
- (b) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, threatened or announced or any order or ruling is issued under or pursuant to any statute of Canada or any province, or of the United States or any state thereof or by any stock exchange or by any other regulatory authority having jurisdiction, in relation to a material portion of the business and affairs of the Corporation and its subsidiaries (on a consolidated basis) or there is any change of law or the interpretation or administration thereof, which, in any such cases, in the opinion of such Underwriter, acting reasonably, operates or could reasonably be expected to operate to prevent or restrict materially the distribution of or trading in, the Subscription Receipts or the trading in Common Shares;
- (c) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence, including any acts of national or international hostilities or escalation thereof or other calamity or crisis or any change in national or international political, financial or economic conditions or any action, law, regulation, inquiry or other similar occurrence which, in the opinion of such Underwriter, acting reasonably, materially adversely affects or is reasonably expected to materially adversely affect the Canadian financial markets generally or the business, operations or affairs of the Corporation and its subsidiaries, taken as a whole, or the operations or affairs of the Target and the Corporation and their respective subsidiaries, taken as a whole, or the market price or value of the Subscription Receipts or Common Shares;
- (d) there shall occur any material change (as defined under applicable securities laws), or change in material fact (as defined under applicable securities laws) in respect of the Corporation and its subsidiaries taken as a whole or the Target and the Corporation and their respective subsidiaries taken as a whole (other than a change related solely to the Underwriters), which in the reasonable opinion of the Underwriters (or any of them), acting reasonably, could reasonably be expected to have a material adverse effect on the market price or value of the Subscription Receipts or Common Shares, or the Underwriters shall become aware of any material change or material fact with respect to the Corporation which had not been publicly disclosed or disclosed in writing to the Underwriters at or prior to the date hereof and which in the sole opinion of the Underwriters or any of them, acting reasonably, could

reasonably be expected to have a material adverse effect on the market price or value of the Subscription Receipts or Common Shares;

- (e) the Corporation shall be in breach of or default under or in non-compliance with any material representation, warranty, term, condition or covenant of the letter agreement; or
- (f) a Termination Event (as such term is defined in the term sheet attached as Schedule C to this letter agreement) has occurred.