

## FORM OF DIRECTOR'S IRREVOCABLE UNDERTAKING

To: SNC-Lavalin Group Inc.

For the attention of: The Directors

To: SNC-Lavalin (GB) Holdings Limited

For the attention of: The Directors

20 April 2017

Dear Sirs

### Recommended cash Acquisition of WS Atkins plc (the Company)

I understand that SNC-Lavalin (GB) Holdings Limited (the **Offeror**), a wholly-owned subsidiary of SNC-Lavalin Group Inc., is considering the Acquisition (defined in paragraph 8 below) substantially on the terms, and subject to the conditions, set out in the attached draft press announcement to be made pursuant to Rule 2.7 of The City Code on Takeovers and Mergers (the **Code**) (the **Press Announcement**), together with such additional terms and conditions as may be required to comply with the Code and any other applicable law or regulation. This undertaking is given in consideration of the Offeror agreeing to make the Acquisition.

#### 1 Scheme and voting

1.1 I irrevocably and unconditionally undertake to the Offeror that I shall:

- (a) (unless the Offeror otherwise requests in writing) exercise or procure the exercise of voting rights attaching to the ordinary shares of 0.5p each of the Company details of which are set out in Schedule 1 (the **Shares**):
  - (i) in favour of any resolutions (whether or not amended and whether put to a show of hands or conducted by way of a poll) to be proposed at any general or class meeting of the Company (including any adjournment thereof) (a **General Meeting**) or any meeting to be convened pursuant to an order of the Court in accordance with Part 26 of the Companies Act 2006 (including any adjournment thereof) (a **Court Meeting**) which are necessary to implement, or which could assist in the implementation of, the Acquisition and any transactions related to the Acquisition (the **Resolutions**); and
  - (ii) against any resolutions (whether or not amended and whether put to a show of hands or conducted by way of a poll) to be proposed at a General Meeting or Court Meeting which (if passed) might reasonably be expected to result in any condition of the Acquisition not being fulfilled or which might reasonably be expected to delay, impede or frustrate the Acquisition in any way;
- (b) exercise or procure the exercise of the voting rights attached to the Shares to requisition or join in requisitioning the convening of a General Meeting for the purpose of passing or rejecting any resolution referred to in paragraph 1.1(a)(i) or 1.1(a)(ii) above only in accordance with the Offeror's instructions;
- (c) by not later than 3:00 p.m. (London time) on the tenth business day after the date of despatch to shareholders of the Company of the Scheme Circular (or, in respect of any Shares subsequently issued to me as referred to in paragraph 1.3 below, by not later than 3:00 p.m. (London time) on the tenth business day after such issue):

- (i) in respect of any Shares held in certificated form, return or procure the return to the Company's registrars, Capita Asset Services, of duly executed forms of proxy in respect of such Shares appointing a proxy to attend and vote at the General Meeting and Court Meeting convened in relation to the Scheme (voting in favour of the Resolutions). I will appoint as proxy a person nominated by the Offeror if required pursuant to paragraph 1.1(d) below; and
  - (ii) in respect of any Shares held in uncertificated form, take or procure the taking of any action which may be required by the Company or its nominated representative in order to make a valid proxy appointment and give valid CREST proxy instructions (voting in favour of the Resolutions);
- (d) without prejudice to paragraph 1.1(c) above, for the purpose of voting on any other resolution referred to in paragraph 1.1(a) or 1.1(b) above, if required by the Offeror, by no later than 3.00 p.m. (London time) on the tenth business day after any request by the Offeror (or, in respect of any Shares subsequently issued to me as referred to in paragraph 1.3 below, by not later than 3:00 p.m. (London time) on the tenth business day after such issue):
- (i) in respect of any Shares held in certificated form, execute or procure the execution of any form of proxy required by the Offeror; and
  - (ii) in respect of any Shares held in uncertificated form, take or procure the taking of any action which may be required by the Company or its nominated representative in order to make a valid proxy appointment and give valid CREST proxy instructions,

in each case appointing any person nominated by the Offeror to attend and vote (in accordance with the Offeror's instructions) at the relevant General Meeting or Court Meeting;

- (e) not revoke or amend (or permit the revocation or amendment of) any forms of proxy or CREST proxy instructions which have been lodged or transmitted in accordance with paragraph 1.1(b), (c) or (d) above, either in writing (by lodging a replacement form of proxy or otherwise) or by submitting an amendment to a CREST proxy instruction or by attendance at the relevant General Meeting or the Court Meeting or otherwise; and
- (f) execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by me (or where applicable the registered holder) in connection with my obligations under this undertaking.

1.2 Notwithstanding anything to the contrary in this undertaking, but subject to the provisions of the Code, I shall be entitled to dispose of my interest in all or any of the Shares (including, in each case, by way of declaring a trust over any or all such Shares) where such a disposal is undertaken as part of my bona fide tax planning, and provided always that prior to any such disposal:

- (a) the intended transferee or beneficiary enters into an undertaking in favour of the Offeror in terms no less favourable to the Offeror than those set out herein and which does not contain this paragraph 1.2 or any paragraph similar to it;
- (b) I notify the Offeror no less than five business days before such disposal of those terms in their entirety; and
- (c) such undertaking includes a term obliging the intended transferee or beneficiary to send to the Offeror an executed and dated version of the undertaking (in any form) on the day that it is executed and dated.

- 1.3 I agree that if, after the date of this undertaking, any further shares are acquired by me through the vesting or exercise of awards or options under any of the share schemes of the Company, such shares will form part of the Shares and will be subject to the terms of this undertaking.

## **2 Representations, warranties and undertakings**

2.1 I represent, warrant and undertake to the Offeror that:

- (a) the Shares set out in Schedule 1 include all the shares registered in my name or beneficially owned by me or in respect of which I am otherwise able to control the exercise of all rights attaching to (including voting rights and the ability to procure the transfer of);
- (b) the Shares will be acquired pursuant to the Acquisition free from all liens, equitable interests, charges, encumbrances, options and other interests and third party rights of any nature whatsoever and with all rights now or hereafter attaching to them, including the right to all dividends declared, made or paid hereafter (subject to the matters referred to in the Press Announcement);
- (c) Schedule 2 sets out all options and awards I have to subscribe for, purchase or otherwise acquire any securities of the Company;
- (d) save as set out in Schedule 1 and Schedule 2, I am not interested in any securities of the Company (within the meaning of the Code);
- (e) I have the full power and authority (and will at all times continue to have all relevant authority) to enter into and perform this undertaking in accordance with its terms; and
- (f) I will not (or in the case of the Shares in respect of which I am beneficial owner only will procure that the registered holder will not), prior to the earlier of the Acquisition closing, the lapsing of the Scheme or its withdrawal and the lapsing of this undertaking:
  - (i) sell, transfer, encumber, charge, pledge, grant any option or other right over or otherwise dispose of or deal with (directly or indirectly and whether beneficially, legally or otherwise) any of the Shares or any interest in them or permit any such action to occur in each case except:
    - (A) pursuant to the Scheme; or
    - (B) under the disposal of any Shares as may be necessary for me to satisfy any personal liability for tax and social security contributions that I may have in connection with the grant, vesting or exercise of any share options or awards in respect of shares in the capital of the Company;
  - (ii) in my capacity as a shareholder of the Company, accept, agree to or give any undertaking in respect of, any offer, scheme of arrangement, merger or other business combination made or proposed to be made in respect of the Shares by any person other than the Offeror;
  - (iii) except with the prior written consent of the Offeror, purchase or acquire any shares or other securities of the Company (or any interest therein) save for the acquisition of shares through the vesting or exercise of awards or options under any of the share schemes of the Company and save for any award or option over shares granted to me under any of the share schemes of the Company after the date of this undertaking; or
  - (iv) other than pursuant to this undertaking or separately with the Offeror, enter into any agreement or arrangement or permit any agreement or arrangement to be

entered into or incur or allow to arise any obligation (conditional or unconditional) to do any of the acts referred to in paragraphs 2.1(f)(i), 2.1(f)(ii) and 2.1(f)(iii) above, which would or might reasonably be expected to restrict or impede my ability to comply with this undertaking and, for the avoidance of doubt, references in this paragraph 2.1(f)(iv) to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation, whether or not legally binding or subject to any condition.

- 2.2 The representations, warranties and undertakings set out in paragraph 2.1 shall not be extinguished or affected by the acquisition of the Shares pursuant to the Acquisition.

### **3 Publicity and Documentation**

- 3.1 I consent to the issue of the Press Announcement incorporating references to me and to this undertaking in the terms set out in the Press Announcement, subject to any amendments which may be agreed by me or on my behalf by a member of the board of directors of the Company.
- 3.2 I understand and agree that, in accordance with the Code, particulars of this undertaking and disclosable holdings of, and dealings in, relevant securities of the Company will need to be publicly disclosed and will also be contained in the Scheme Circular and that copies of this undertaking will be available for inspection until the end of the offer in accordance with Rule 26 of the Code.
- 3.3 I will as soon as possible notify the Offeror in writing upon becoming aware of any change in the accuracy or import of any information supplied, or representation or warranty given, to the Offeror under this undertaking.

### **4 Power of Attorney**

In order to secure the performance of my obligations under this undertaking, in default of my performing my obligations under any of paragraphs 1, 3, or 7, I hereby irrevocably appoint any director for the time being of the Offeror to be my attorney in my name and on my behalf, to execute any form of proxy required by the Offeror appointing any person nominated by the Offeror to attend and vote on any resolution as is referred to in paragraph 1.1(a) or 1.1(b) above (or to execute a form or forms of acceptance which relate to the Offer, as the case may be) and/or to execute such other documents and to do such other acts and things as may be necessary to give effect to my obligations hereunder in respect of the Shares and I hereby agree that this power of attorney is given by way of security and is irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 until this undertaking lapses in accordance with paragraph 6.

### **5 Specific Performance**

Without prejudice to any other rights or remedies that the Offeror may have, I recognise and acknowledge that if I should fail to perform my obligations in accordance with this undertaking, or should otherwise be in breach of any of those obligations, damages would not be an adequate remedy and that the Offeror shall be entitled to the remedies of injunction, specific performance and other equitable relief and that no proof of special damages shall be necessary for the enforcement of this undertaking.

### **6 Condition and lapse of undertaking**

- 6.1 All obligations in this undertaking are conditional on the Press Announcement being released by 8.00 a.m. (London time) on 21 April 2017 (or such later date as the Company and the Offeror may agree).

6.2 If:

- (a) the condition set out in paragraph 6.1 is not met; or
- (b) after the Offeror releases the Press Announcement, the Panel consents to the Offeror not proceeding with the Acquisition; or
- (c) the Scheme Circular is not despatched to the Company's Shareholders within 28 days (or such longer period as may be agreed between the Company and the Panel) after the date of the Press Announcement; or
- (d) the Scheme lapses or is withdrawn in accordance with its terms, or the Scheme does not become effective by 31 July 2017 as set out in the Press Announcement, (in each case, other than in circumstances where the Offeror has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Offer has not lapsed or been withdrawn),

this undertaking shall lapse but such lapse shall not affect any rights or liabilities under this undertaking in respect of any prior breach of this undertaking.

## 7 Offer alternative

7.1 I acknowledge that the Offeror reserves the right in certain circumstances to implement the Acquisition by way of an Offer or may be obliged in certain circumstances to do so by the Takeover Panel. In the event that the Acquisition is implemented as an Offer, I confirm and agree that this undertaking shall continue to be binding in respect of the Shares and all references to the Scheme shall, where the context requires, be read as references to the Offer (or to both the Scheme and the Offer, as appropriate). Without prejudice to the generality of the foregoing and for the avoidance of doubt, references in this undertaking:

- (a) to voting in favour of resolutions which are necessary to implement, or which could assist in the implementation of, the Scheme and any transactions related to the Scheme shall be read and construed as including my acceptance of the Offer, which acceptance in such circumstances shall be tendered so as to be received by the Company's registrars, Capita Asset Services, by not later than 3:00 p.m. (London time) on the tenth business day after the date of despatch to shareholders of the Offer Document (or, in respect of any Shares subsequently acquired by me as referred to in paragraph 1.3 above, by not later than 3:00 p.m. (London time) on the tenth business day after such issue) and, notwithstanding that I may be entitled to withdraw any such acceptance(s) in respect of the Shares by virtue of any term of the Offer or pursuant to the Code, I shall not withdraw any such acceptance(s) and shall procure that any such acceptance(s) is/are not withdrawn;
- (b) to the Scheme becoming effective shall be read as references to the Offer becoming unconditional in all respects;
- (c) to the Scheme lapsing or being withdrawn shall be read as references to the lapsing or withdrawal of the Offer; and
- (d) to the Scheme Circular shall be read as references to the Offer Document.

## 8 Interpretation, conditions and general

8.1 In this undertaking:

- (a) references to the **Acquisition** are to the proposed acquisition of the Company by the Offeror pursuant to the Scheme or an Offer, as the case may be;

- (b) references to **business day** are to a day not being a Saturday or a Sunday on which banks are open for business in the City of London;
- (c) references to the **Offer** mean any takeover offer made by or on behalf of the Offeror to effect the Acquisition substantially on the terms of the Press Announcement (or any new, increased, renewed or revised offer as represents, on such basis as the Offeror's financial adviser may reasonably consider appropriate, no diminution in the value of the consideration offered under the terms set out in the Press Announcement);
- (d) references to the **Offer Document** shall mean the formal document containing the Offer and shall (where appropriate) include and extend to any related or ancillary document including any such document required to comply with any applicable law or regulation; and
- (e) references to the **Scheme** shall mean the scheme of arrangement to implement the Acquisition under Part 26 of the Companies Act 2006 substantially on the terms of the Press Announcement (or any other new, increased or revised scheme as represents, on such basis as the Offeror's financial adviser may reasonably consider appropriate, no diminution in the value of the consideration offered under the terms set out in the Press Announcement); and
- (f) references to the **Scheme Circular** shall mean the formal document containing the Scheme and shall (where appropriate) include and extend to any related or ancillary document including any such document required to comply with any applicable law or regulation.

8.2 Nothing in this undertaking shall oblige the Offeror to announce or make the Acquisition.

8.3 With regard to any of the Shares not registered in my name, this undertaking is intended to secure that the registered holder(s) will approve the Scheme in respect of the Shares and the confirmations, representations, warranties and undertakings contained in this undertaking are given by me on behalf of such registered holder(s) and I undertake to ensure the compliance by such person(s) with those confirmations, representations, warranties and undertakings.

8.4 This undertaking shall be binding on my estate and personal representatives.

8.5 No term of this undertaking is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this undertaking.

8.6 This undertaking contains the whole agreement between the Offeror and me relating to the subject matter of this undertaking at the date hereof to the exclusion of any terms implied by law which may be excluded by contract. I acknowledge that I have not been induced to sign this undertaking by any representation, warranty or undertaking not expressly incorporated into it.

8.7 Any time, date or period mentioned in this undertaking may be extended by agreement between all the parties hereto or otherwise as provided herein but as regards any time, date or period originally fixed or so extended as aforesaid time shall be of the essence.

## 9 Governing law and jurisdiction

9.1 This undertaking and any non-contractual obligations connected with it shall be governed by and construed in accordance with English law.

9.2 I hereby irrevocably:

- (a) agree that the courts of England and Wales are to have exclusive jurisdiction, and that no other court is to have jurisdiction to: (i) determine any claim, dispute or difference arising under or in connection with this undertaking or in connection with the negotiation, existence, legal validity, enforceability or termination of this undertaking, whether the

alleged liability shall arise under the law of England and Wales or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in the English courts (**Proceedings**); and (ii) grant interim remedies, or other provisional or protective relief; and

- (b) submit to the exclusive jurisdiction of such courts and accordingly any Proceedings may be brought against me or any of my assets in such courts.

**Schedule 1**  
**Ownership of the Company Shares**

**Registered and beneficial holdings of Shares**

<b>(1) Registered Holder</b>	<b>(2) Beneficial Owner</b>	<b>(3) Number of Shares</b>
Allan Edward Cook	Allan Edward Cook	13,692
Quilter Nominees Ltd	Allan Edward Cook	3,450



**Schedule 2**  
**Ownership of Company options and awards**

(1) Name of Scheme/Plan	(2) Number of Shares
N/A	N/A

Signed as a Deed by Allan Edward Cook )

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)

...../s/ Allan Edward Cook

Signature of Director

in the presence of: )

)

)

...../s/ Michelle Starosolsky

Signature of witness

Name of witness: Michelle Starosolsky

Occupation of witness: P.A.

Address of witness: [REDACTED]

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**For immediate release**

**20 April 2017**

**RECOMMENDED CASH ACQUISITION**

**of**

**WS Atkins plc**

**by**

**SNC-Lavalin (GB) Holdings Limited**

**a wholly-owned subsidiary of**

**SNC-Lavalin Group Inc.**

**Summary**

- The boards of directors of SNC-Lavalin Group Inc. ("**SNC-Lavalin**") and WS Atkins plc ("**Atkins**") are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash acquisition of the entire issued and to be issued share capital of Atkins by SNC-Lavalin (GB) Holdings Limited ("**SNC-Lavalin Bidco**") (a wholly-owned subsidiary of SNC-Lavalin).
- Under the terms of the Acquisition, each Atkins Shareholder will be entitled to receive:  

**for each Atkins Share: 2,080 pence in cash**
- The price of 2,080 pence per Atkins Share represents a premium of approximately:
  - 35 per cent. to the closing price of 1,540 pence per Atkins Share on 31 March 2017 (being the last business day before the announcement of the Possible Offer);
  - 42 per cent. to the volume-weighted average price of 1,468 pence per Atkins Share for the three-month period ended 31 March 2017 (being the last business day before the announcement of the Possible Offer); and
  - 44 per cent. to the volume-weighted average price of 1,449 pence per Atkins Share for the twelve-month period ended 31 March 2017 (being the last business day before the announcement of the Possible Offer).
- The Offer Price has been agreed by the boards of directors of SNC-Lavalin and Atkins on the basis that no final dividend for the financial year ended 31 March 2017 will be paid by Atkins to Atkins Shareholders. If Atkins announces, declares, makes or pays any dividend or other distribution on or after the date of this Announcement and prior to the Effective Date, SNC-Lavalin reserves the right to reduce the Offer Price by an amount equal to the amount of such dividend or distribution.
- The Acquisition values Atkins' entire issued and to be issued ordinary share capital at approximately £2.1 billion (C\$3.6 billion).

- It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.
- The Acquisition will create a C\$12.1 billion global fully integrated professional services and project management company with 53,000 employees and significantly improve SNC-Lavalin's overall margins, and further balance its business portfolio.
- The Acquisition will enhance SNC-Lavalin's global position and addressable market in infrastructure, rail & transit and nuclear, combine two highly complementary businesses and increase both geographic reach and customer diversification globally. The Combined Entity will continue to have its head office in Montreal, Canada.
- The Atkins Directors, who have been so advised by Moelis & Company and J.P. Morgan Cazenove as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice, Moelis & Company and J.P. Morgan Cazenove have taken into account the commercial assessments of the Atkins Directors.
- Accordingly, the Atkins Directors confirm they intend unanimously to recommend that Atkins Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of their own beneficial holdings which are under their control of, in aggregate, 139,993 Atkins Shares representing approximately 0.14 per cent. of the issued ordinary share capital of Atkins on 19 April 2017 (being the last business day before the date of this Announcement).
- The terms of the Acquisition will be put to Atkins Shareholders at the Court Meeting and the General Meeting (which is expected to immediately follow the Court Meeting). The Court Meeting and the General Meeting are required to enable Atkins Shareholders to consider, and if thought fit, vote in favour of the resolutions to approve the Scheme and its implementation. In order to become Effective, the Scheme must be approved by a majority in number of Scheme Shareholders, present and voting, whether in person or by proxy, representing 75 per cent. or more in nominal value of the Scheme Shares held by those Scheme Shareholders.
- The Acquisition will be on the terms and subject to the Conditions set out in Appendix 1 to this Announcement. Full details of the Acquisition will be set out in the Scheme Document. It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be published as soon as practicable and, in any event, within 28 days of this Announcement (unless the Panel agrees otherwise). An expected timetable of principal events will be included in the Scheme Document.
- The Acquisition is expected to become Effective in the third quarter of 2017, subject to satisfaction (or, where applicable, waiver) of the Conditions and further terms set out in Appendix 1 to this Announcement.
- Commenting on the Announcement, Neil Bruce, President & CEO of SNC-Lavalin, said:

*"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. 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."*

- Allan Cook, the Chairman of Atkins, added:

*“On behalf of our Board I am pleased to announce SNC-Lavalin’s recommended cash offer to our shareholders. Having achieved our strategic target of 8% operating margin, the Atkins Directors believe that Atkins is strongly positioned to execute on its growth strategy going forward. This position is underpinned by favourable trends in our end markets, our differentiated offering, and the benefits of our new growth initiatives, including our Acuity advisory business, our positioning in the nuclear value chain and our focus on digital and technology.*

*However, we believe that the offer from SNC-Lavalin represents an attractive and certain value in cash today for Atkins shareholders reflecting the high quality of the business, its people and its future prospects. The Board of Atkins believes that a combination will provide clear benefits to our shareholders, enhanced opportunities for our employees as part of a larger group, and a broader service offering for our customers.”*

**This summary should be read in conjunction with, and is subject to, the full text of the following Announcement (including its Appendices). The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document. Appendix 2 contains the sources and bases of certain information contained in this summary and the following Announcement. Appendix 3 contains details of the irrevocable undertakings received by SNC-Lavalin Bidco. Appendix 4 contains information about SNC-Lavalin’s financing arrangements. Appendix 5 contains the definitions of certain terms used in this summary and the following Announcement.**

#### **Conference call**

SNC-Lavalin will hold a conference call today at 4:15p.m. 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 of SNC-Lavalin and Sylvain Girard, Executive Vice-President and CFO of SNC-Lavalin. 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 SNC-Lavalin’s website, [www.snclavalin.com](http://www.snclavalin.com), within 24 hours following the call.

#### **Enquiries**

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## **Further information**

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Atkins in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely by means of the Scheme Document, which will contain the full terms and conditions of the Acquisition including details of how to vote in respect of the Scheme. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document.*

*RBC Capital Markets is the trading name for RBC Europe Limited, which is authorised by the PRA and regulated by the FCA and the PRA and is a subsidiary of the Royal Bank of Canada, is acting as financial adviser to SNC-Lavalin and SNC-Lavalin Bidco and no-one else in connection with the matters described in this Announcement and will not be responsible to anyone other than SNC-Lavalin and SNC-Lavalin Bidco for providing the protections afforded to clients of RBC nor for providing advice in connection with the matters referred to herein. Neither RBC nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of RBC in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*Moelis & Company, which is authorised and regulated by the FCA in the UK, is acting exclusively as financial adviser to Atkins and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Atkins for providing the protections afforded to clients of Moelis & Company nor for providing advice in connection with the matters referred to herein. Neither Moelis & Company nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Moelis & Company in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*J.P. Morgan Limited (which conducts its UK investment banking activities as J.P. Morgan Cazenove) (“J.P. Morgan Cazenove”), which is authorised and regulated by the FCA in the UK, is acting exclusively as financial adviser to Atkins and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Atkins for providing the protections afforded to clients of J.P. Morgan Cazenove nor for providing advice in connection with the matters referred to herein. Neither J.P. Morgan Cazenove nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of J.P. Morgan Cazenove in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*Numis Securities Limited (Numis), which is authorised and regulated by the FCA in the UK, is acting exclusively as corporate broker to Atkins and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Atkins for providing the protections afforded to clients of Numis nor for providing advice in connection with the matters referred to herein. Neither Numis nor any of its subsidiaries or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

### **Overseas jurisdictions**

*The availability of the Acquisition to Atkins Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Scheme Document.*

*The release, publication or distribution of this Announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England.*

*Copies of this Announcement and the formal documentation relating to the Scheme and the Acquisition will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction.*

### **Canadian Holders**

*Canadian Holders should note that the Acquisition relates to the securities of a UK company listed on the Main Market of the London Stock Exchange, is subject to UK disclosure requirements and practices (which are different from those applicable in Canada) and is proposed to be implemented under a scheme of arrangement under English company law. A transaction effected by means of a scheme of arrangement is not subject to the provisions of Canadian provincial securities laws applicable to take-over bids. Accordingly, the Scheme will be subject to UK disclosure requirements and practices, which are different from the disclosure requirements of Canadian provincial securities laws applicable to take-over bids. The financial information included in this Announcement and the Scheme Document has been or will have been prepared in accordance with IFRS and thus may not be comparable to financial information of Canadian companies or companies whose financial statements are not prepared in accordance with IFRS. If SNC-Lavalin exercises its right to implement the acquisition of the Atkins Shares by way of an Offer, any such Offer made in Canada will be made in compliance with (or pursuant to available exemptions from) the applicable requirements of*

Canadian provincial securities laws. Such a takeover offer would be made by SNC-Lavalin (or by a wholly-owned subsidiary of SNC-Lavalin) and no one else.

The receipt of cash pursuant to the Acquisition by a Canadian Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for Canadian federal income tax purposes and under applicable Canadian provincial income tax laws, as well as foreign and other, tax laws. Each Atkins Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

### **US Holders**

US Holders should note that the Acquisition relates to the securities of a UK company listed on the Main Market of the London Stock Exchange, is subject to UK disclosure requirements and practices (which are different from those of the US) and is proposed to be implemented under a scheme of arrangement under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act, and the proxy solicitation rules under the US Exchange Act will not apply to the Acquisition. The Scheme will be subject to UK disclosure requirements and practices, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules. The financial information included in this Announcement and the Scheme Document has been or will have been prepared in accordance with IFRS, and thus may not be comparable to financial information of companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. However, if SNC-Lavalin were to exercise its right to implement the Acquisition of the Atkins Shares by way of an Offer, such Offer will be made in compliance with applicable US tender offer and securities laws and regulations. Such an Offer would be made by SNC-Lavalin or a wholly-owned subsidiary of SNC-Lavalin and no one else.

The receipt of cash pursuant to the Acquisition by a US Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Atkins Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since SNC-Lavalin and Atkins are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, SNC-Lavalin or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Atkins Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory Information Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/prices-and-news/prices-news/home.htm>

### **Forward looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by SNC-Lavalin and Atkins contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of SNC-Lavalin and Atkins about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.



The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Acquisition on SNC-Lavalin and Atkins, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although SNC-Lavalin and Atkins believe that the expectations reflected in such forward-looking statements are reasonable, SNC-Lavalin and Atkins can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to consummate the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; as future market conditions, changes in general economic and business conditions, the behaviour of other market participants, the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which SNC-Lavalin and Atkins operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which SNC-Lavalin and Atkins operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither SNC-Lavalin nor Atkins, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA, as applicable), neither SNC-Lavalin nor Atkins is under any obligation, and SNC-Lavalin and Atkins expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **No profit forecasts or estimates**

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for SNC-Lavalin or Atkins, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for SNC-Lavalin or Atkins, as appropriate.

### **Dealing disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3. Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

#### **Publication on website**

*In accordance with Rule 26.1 of the Code, a copy of this Announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SNC-Lavalin's website at [www.snclavalin.com](http://www.snclavalin.com) and Atkins' website at [www.atkinsglobal.com](http://www.atkinsglobal.com) by no later than 12 noon (London time) on the business day following this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated by reference and do not form part of this Announcement.*

#### **Requesting hard copy documents**

*Atkins Shareholders may request a hard copy of this Announcement by contacting the Company Secretary of Atkins during business hours on +44 (0) 20 7121 2000 or by submitting a request in writing to the Company Secretary of Atkins at Euston Tower, 286 Euston Road, London, NW1 3AT. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

#### **Electronic communications**

*Please be aware that addresses, electronic addresses and certain other information provided by Atkins Shareholders, persons with information rights and other relevant persons for the receipt of communications from Atkins may be provided to SNC-Lavalin during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

#### **Rounding**

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*



The Offer Price has been agreed by the boards of directors of SNC-Lavalin and Atkins on the basis that no final dividend for the financial year ending 31 March 2017 will be paid by Atkins to Atkins Shareholders. If Atkins announces, declares, makes or pays any dividend or other distribution on or after the date of this Announcement and prior to the Effective Date, SNC-Lavalin reserves the right to reduce the Offer Price by an amount equal to the amount of such dividend or distribution.

The Acquisition values Atkins' entire issued and to be issued ordinary share capital at approximately £2.1 billion (C\$3.6 billion).

### **3. Background to and reasons for the Acquisition**

The board of SNC-Lavalin believes that the Acquisition represents a compelling opportunity to accelerate the delivery of SNC-Lavalin's strategy to become a global fully integrated professional services and project management company, with scale and capabilities across its core markets. In addition, the board of SNC-Lavalin believes that the Acquisition is financially attractive and is expected to be immediately accretive to SNC-Lavalin's adjusted consolidated and E&C adjusted EPS before any revenue and cost synergies<sup>(1)</sup>.

The board of SNC-Lavalin believes that the Acquisition will position the Combined Entity to capitalise on the significant investment in infrastructure projects globally, but principally in North America. It brings to SNC-Lavalin new and complementary capabilities in three of its four E&C sectors, with essentially no overlap in its service offering. Further it adds a significant complementary presence in the U.K. and Europe, the U.S., Scandinavia, the Middle East and Asia.

The board of SNC-Lavalin believes that the Atkins business complements SNC-Lavalin's existing consulting, engineering, and construction platform by adding best-in-class design, consulting and engineering capabilities and enabling a more end-to-end service offering for customers and partners of the Combined Entity. The Acquisition will significantly increase SNC-Lavalin's global customer base. It will also have the potential to expand and deepen the areas of the market that the Combined Entity can address and provide long-term revenue opportunities, through cross-selling services to the combined customer base and benefitting from increased geographic reach.

The estimated annual cost synergies for both legacy organisations are expected by SNC-Lavalin to amount to approximately C\$120 million (approximately C\$90 million from Atkins and C\$30 million from SNC-Lavalin) by the end of 2018, through the elimination of many of Atkins' corporate and all of its listing costs, as well as SG&A and operational synergies within both legacy organisations. The price of 2,080 pence per Atkins Share represents a multiple of approximately 9.8 times Atkins' underlying EBITDA for the trailing twelve month period ended 30 September 2016 including the above estimated annual cost synergies and including the pensions deficit.

More specifically, the Acquisition is expected by SNC-Lavalin to:

- be consistent with SNC-Lavalin's strategic plan of creating a global, fully integrated professional services and project management company by:
  - generating pro forma revenue and E&C adjusted EBITDA of approximately C\$12.1 billion and C\$706 million respectively<sup>(2)</sup>;
  - including consulting, design, project management, engineering, construction, capital investment, sustaining capital and operations and maintenance capabilities; and
  - improving balance sheet efficiency by leveraging the equity stake in Highway 407 ETR, while retaining its equity ownership and maintaining its investment grade rating;
- improve significantly SNC-Lavalin's overall margins, adding ~C\$3.7 billion of consistent, comparatively high-margin, revenues:
  - of which a high proportion of these revenues is not included in backlog but will be delivered through framework agreements, providing long-term, repeat business with key clients;

- which will complement and come in addition to the existing strong backlog of SNC-Lavalin, which contains a mix of booked package (lump-sum) and reimbursable (services) work;
  - SNC-Lavalin will retain a balance of sector diversification, which is an important aspect of its business model, allowing SNC-Lavalin to offset cycle volatility between different sectors.
- enhance SNC-Lavalin’s position in the attractive infrastructure, rail & transit, nuclear and energy markets by:
    - positioning the Combined Entity to capitalise on the significant investment in infrastructure projects globally, but principally in North America;
    - creating one of the most compelling nuclear services companies: well placed to win both maintenance and decommissioning of projects nearing the end of life cycle and subsequent capacity replacement projects;
    - building SNC-Lavalin’s capabilities and services for the growing renewables market; and
    - retaining a balanced sector diversification: 47 per cent. Infrastructure, 32 per cent. Oil & Gas, 16 per cent. Power, 3 per cent. Mining & Metallurgy and 2 per cent. Capital<sup>(2)</sup>;
  - increase geographic diversification and create growth opportunities in key geographies through:
    - an enhanced presence in complementary regions, notably in the U.K. and Europe, the U.S. and Asian markets, as well as specific areas such as infrastructure in the Middle East; and
    - creating a more balanced global footprint: 45 per cent. North America, 20 per cent. Europe, 20 per cent. Middle East, and Africa and 15 per cent. Asia Pacific<sup>(2)</sup>;
  - deepen SNC-Lavalin’s project management, design, consulting, and engineering capabilities by:
    - creating a more comprehensive end-to-end value chain for the Combined Entity – including consulting, design, engineering, construction, capital investment, sustaining capital and operations and maintenance; and
    - creating a more agile, responsive and competitive Combined Entity with enhanced scale and vertical integration that can better meet client needs and create cross-selling opportunities;
  - grow the employee base of the SNC-Lavalin by some 51 per cent. to approximately 53,000 employees and to enhance SNC-Lavalin’s workforce by the addition of industry-leading design, consulting and high-end engineering specialists; and
  - realise significant synergies by implementing a proven integration strategy through:
    - expected annual run-rate cost synergies of C\$120 million by the end of 2018 through the elimination of Atkins’ corporate and listing costs, as well as SG&A and operational synergies within both legacy organisations;
    - the potential to realise incremental revenue opportunities through enhancing services to clients and cross-selling to the Combined Entity’s clients; and
    - utilising SNC-Lavalin’s strong track record of successful integrations, in particular, the effective execution of an integration plan following the successful roadmap laid out in the Kentz acquisition.

#### **4. Recommendation**

The Atkins Directors, who have been so advised by Moelis & Company and J.P. Morgan Cazenove as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and

reasonable. In providing their advice, Moelis & Company and J.P. Morgan Cazenove have taken into account the commercial assessments of the Atkins Directors.

Accordingly, the Atkins Directors confirm they intend unanimously to recommend that Atkins Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting as they have irrevocably undertaken to do in respect of their own beneficial holdings which are under their control of, in aggregate, 139,993 Atkins Shares representing approximately 0.14 per cent. of the issued Atkins Shares on 19 April 2017 (being the last business day before the date of this Announcement).

Each of Moelis & Company and J.P. Morgan Cazenove has given and not withdrawn its consent to the inclusion in this Announcement of references to its respective advice to the Atkins Directors in the form and context in which they appear.

## **5. Background to and reasons for the recommendation**

Atkins is successfully delivering on its three strategic priorities to accelerate growth: with our presence in strong core markets, by winning market share with differentiated value propositions and with new revenue streams including Atkins Acuity and digital innovation. Despite an uncertain macroeconomic environment, Atkins' focused strategy and execution has supported growth in underlying profit before tax of 37 per cent. (FY12-FY16), the achievement of our 8 per cent. underlying operating margin goal, and total shareholder returns of 144 per cent. over the past 5 years.

Our strategy to position the business in end-markets with favourable long-term trends, together with specific growth initiatives such as our Acuity advisory business, our expansion in nuclear engineering and our focus on digital and technology mean Atkins is well positioned for future growth.

The board of Atkins notes that the Acquisition represents a significant premium, in cash, of approximately 35 per cent to the closing price of 1,540 pence per Atkins Share on 31 March 2017 (being the last business day before the announcement of the Possible Offer), and approximately 42 per cent to the volume-weighted average closing price of 1,468 pence per Atkins Share for the three-month period ended 31 March 2017 (being the last business day before the announcement of the Possible Offer).

Accordingly, whilst the board of Atkins believes Atkins has a strong independent future, the Acquisition represents an attractive cash premium for Atkins Shareholders that secures the delivery of Atkins' value potential today.

The Atkins board believes that Atkins' employees are its competitive edge and the strong performance of Atkins in recent years is due to the commitment, skill and dedication of its people across the world. The Atkins board believes that Atkins' employees will benefit from the enhanced career opportunities from an enriched, combined business. In this context, the Atkins Board notes the statements made by SNC-Lavalin in connection with Atkins employees.

## **6. Irrevocable Undertakings**

All of the Atkins Directors who hold Atkins Shares have irrevocably undertaken to vote, or procure votes, in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in respect of their own beneficial holdings which are under their control, amounting to in aggregate, 139,993 Atkins Shares representing approximately 0.14 per cent. of the issued ordinary share capital of Atkins on 19 April 2017 (being the last business day before the date of this Announcement).

The undertakings from the Atkins Directors will cease to be binding only if (i) the Panel consents to SNC-Lavalin Bidco not proceeding with the Acquisition; (ii) the Scheme Document is not dispatched to Atkins Shareholders within 28 days (or such longer period as may be agreed between Atkins and the Panel) of this Announcement; or (iii) the Scheme or Offer lapses or is withdrawn and no new, revised or replacement Scheme or Offer is announced by SNC-Lavalin in accordance with Rule 2.7 of the Code in its place or is announced, in accordance with Rule 2.7 of the Code, at the same time. The undertakings will remain binding in the event that a higher competing offer for Atkins is made.

Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement.

## **7. Information relating to the SNC-Lavalin Group**

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 our 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. SNC-Lavalin is publicly listed on the Toronto Stock Exchange, trading under the ticker symbol SNC.

SNC-Lavalin Bidco is a private limited company registered in England and Wales and was incorporated on 7 April 2017. SNC-Lavalin Bidco was formed for the purposes of the Acquisition, is a wholly-owned subsidiary of SNC-Lavalin and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition and the financing of the Acquisition.

## **8. Information relating to the Atkins Group**

Atkins is one of the world's most respected design, engineering and project management consultancies with a leadership position across the infrastructure, transportation and energy sectors. Atkins builds long-term trusted partnerships to create a world where lives are enriched through the implementation of creative ideas and solutions. Atkins' core business focuses on helping clients to plan, design and enable major capital programmes, with design and engineering solutions ranging from upfront strategic advice to large outcome-focused programme management engagements, complemented by its Acuity and Faithful+Gould brands. Atkins employs some 18,300 people across the UK, North America, Middle East, Asia Pacific and Europe.

WS Atkins and Partners, was established in 1938 by Sir William Atkins in London. Atkins was successfully listed on the London Stock Exchange in 1996 and trades under the ticker symbol ATK.

Atkins released its pre-close trading update on 12 April 2017, for the year ended 31 March 2017, which included the following information in relation to its current trading and prospects:

- overall, Atkins has traded well through the fourth quarter, with continued currency benefits as anticipated. Expectations for its performance for the year ended 31 March 2017 remain unchanged;
- the performance across Atkins' five operating segments has remained consistent with that reported in its third quarter trading update in early February 2017;
- Atkins continues to perform well in the major markets of the UK and North America where, as evidenced by its reported results in the first half, it expects to show further good progress in the full year; and
- since Atkins' third quarter trading update, the market conditions have remained broadly unchanged in its two other geographic regions of the Middle East and Asia Pacific, while in energy it is encouraged by the early signs of stabilisation in the oil and gas market.

## **9. Financing**

The cash consideration payable by SNC-Lavalin Bidco under the terms of the Acquisition will be funded from:

- proceeds of a bought deal offering of subscription receipts of SNC-Lavalin on terms set out in a prospectus supplement to be published by SNC-Lavalin pursuant to an underwriting letter entered into among SNC-Lavalin and certain underwriters (the "**Underwriting Letter**");

- proceeds from a private placement pursuant to which CDPQ will purchase subscription receipts of SNC-Lavalin (the “**Private Placement**”);
- funds from a new credit agreement dated 20 April 2017 between SNC-Lavalin Highway Holdings and CDPQ RF as lender (the “**CDPQ Loan Agreement**”);
- funds from a new term loan agreement dated 20 April 2017 between a syndicate of North American banks and SNC-Lavalin as borrower (the “**Term Loan Agreement**”); and
- funds from SNC-Lavalin’s existing syndicated credit facility (the “**Syndicated Credit Facility**”).

A summary of the financing arrangements and the key terms of each of the Underwriting Letter, the Private Placement, the CDPQ Loan Agreement, the Term Loan Agreement and the Syndicated Credit Facility is contained in Appendix 4.

RBC is satisfied that sufficient resources are available to SNC-Lavalin Bidco to satisfy in full the cash consideration payable to Atkins Shareholders under the terms of the Scheme.

## **10. Further terms**

If any dividend or other distribution or return of value is authorised, declared, made or paid in respect of Scheme Shares on or after the date of this Announcement and prior to the Effective Date, SNC-Lavalin Bidco will be entitled to reduce the Offer Price by the amount of any such dividend, other distribution or return of value, except where the Scheme Shares are or will be acquired pursuant to the Scheme on a basis which entitles SNC-Lavalin Bidco to receive the dividend, distribution or return of value and to retain it.

## **11. Management and employees**

SNC-Lavalin attaches great importance to the skills and experience of the existing management and employees of Atkins and believes that they will benefit from enhanced career and business opportunities within the Combined Entity.

SNC-Lavalin has an integration plan in place, which follows the successful roadmap laid out in the Kentz acquisition, and a management team with significant experience and expertise to deliver an effective integration of Atkins and SNC-Lavalin. The current Atkins brand, including Faithful+Gould and Atkins Acuity, will remain in place during this integration period. Following completion of the Acquisition, SNC-Lavalin will undertake a group wide exercise to review the SNC-Lavalin positioning strategy and part of this will involve an assessment of client feedback once Atkins is integrated with the SNC-Lavalin business. Atkins will remain as a separate business reporting line within SNC-Lavalin through the integration period.

It is expected that if the Acquisition successfully completes, Uwe Krueger, the current Chief Executive Officer and Executive Director of Atkins, will cease to be Chief Executive Officer on or around the completion date and will cease to be an Atkins Director at the same time. SNC-Lavalin and Uwe Krueger intend to discuss putting in place a transitional services agreement to cover a period after the Effective Date.

Consistent with the extensive succession planning work completed by Atkins and the Atkins Directors independent of the Acquisition, SNC-Lavalin has offered to Heath Drewett, the current CFO and Executive Director of Atkins, that on successful completion of the Acquisition he be promoted to lead Atkins within the Combined Entity. Under the terms of this offer, Heath Drewett will report to SNC-Lavalin’s President and Chief Executive Officer and become a member of SNC-Lavalin’s executive committee. A new remuneration package consistent with prevailing market remuneration for such a position and SNC-Lavalin’s remuneration policy and programmes will be assessed and offered to Heath prior to the Effective Date.

SNC-Lavalin has offered to James Cullens, the current Group Director HR & Marcomms and Executive Director of Atkins, that he remain with the Combined Entity and support SNC-Lavalin with



key integration and people-related matters following successful completion of the Acquisition. Total remuneration in connection with this role will be in line with James' current remuneration at Atkins.

James Cullens' 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, James Cullens will assume a new corporate position as Executive Vice-President, HR with responsibility for all people-related matters across the Combined Entity and will become a member of SNC-Lavalin's executive committee. It is anticipated that agreement on this position will be reached prior to the Effective Date. A revised remuneration package, reflecting prevailing market remuneration for such a position and SNC-Lavalin's remuneration policy and programs, will be assessed and put in place if and when agreement is reached in respect of any new role. It is expected that James will assume this role later in the year.

In recognition of the need to deliver value from the Acquisition, Heath Drewett and James Cullens will each be granted a one-time SNC-Lavalin LTIP award, in lieu of the LTIP award each would have been granted by Atkins but for the Acquisition. The quantum of these LTIP awards will broadly reflect Atkins' current practice, with Heath Drewett being granted a SNC-Lavalin LTIP award with a value on grant equal to 150% of current base salary and James Cullens being granted a SNC-Lavalin LTIP award with a value on grant equal to 125% of current base salary. The performance criteria attached to these awards will be broadly in accordance with SNC-Lavalin LTIP awards typically granted by SNC-Lavalin to senior employees. These SNC-Lavalin LTIP awards will be granted as soon as practicable following the Effective Date.

It is SNC-Lavalin's intention to invite other members of the executive and management teams of Atkins to become members of SNC-Lavalin's Senior Management Team, as well as offer opportunities for some to become senior members of SNC-Lavalin's Corporate Groups.

SNC-Lavalin intends, following the Effective Date, to make retention awards to certain Atkins employees who are considered critical to the implementation of the Acquisition.

SNC-Lavalin has agreed that certain senior employees will be awarded a cash retention payment shortly after the Effective Date. If, however, within 12 months of the Effective Date the recipients of such payments voluntarily resign from the Combined Entity (other than in circumstances where they are entitled to treat themselves as constructively dismissed) or if their employment is terminated by their employer where the employer is entitled to do so summarily by reason of the individual's gross misconduct, they will be required to repay the payment, adjusted on a pro rata basis for the period of employment within that 12 month period. For the avoidance of doubt, any such payment shall not exceed the net of tax and social security amount received by the relevant individual. SNC-Lavalin expects that the aggregate amount of such payments will be up to approximately £5 million.

No plans are currently in place in respect of any such awards other than those set out in the paragraph above. The detailed terms of any further awards and the recipients will be determined in due course.

Moelis & Company and J.P Morgan Cazenove consider in each of their respective opinions that the terms of the management incentivisation arrangements set out above in relation to the one time SNC-Lavalin LTIP awards to be made to Heath Drewett and James Cullens, and the cash retention payments for certain senior employees are fair and reasonable.

As to the wider employee population, SNC-Lavalin considers that Atkins' employees will be a key factor in maximising 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. SNC-Lavalin Bidco has agreed in the Cooperation Agreement that for at least two full financial years following the Effective Date, it: (i) shall not reduce any terms relating to notice periods or pension accrual or contributions; (ii) shall fully observe the existing contractual and statutory employment rights of the Atkins' Group's management and employees in accordance with applicable law, local custom and practice; and (iii) shall ensure that the remuneration terms for Atkins management and employees are no worse in aggregate.

As part of the integration process following the successful completion of the Acquisition, a review of the Atkins' businesses will be completed with the Atkins leadership team to determine any organisational 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. The board of SNC-Lavalin recognises, however, that in order to achieve the expected benefits of the Acquisition, some operational and administrative restructuring will be required across both legacy organisations following completion of the Acquisition. The synergy work carried out to date has confirmed the potential to generate cost savings for the Combined Entity through corporate, functional and administration efficiencies, including reducing headcount in those areas as well as indirect cost savings. The Combined Entity will continue to have its head office in Montreal, Canada.

## **12. Atkins Share Plans**

Participants in the Atkins Share Plans will be contacted regarding the effect of the Acquisition on their rights under the Atkins Share Plans and appropriate proposals will be made to such participants in due course. Details of these proposals will be set out in the Scheme Document and in separate communications to be sent to participants in the Atkins Share Plans.

The Acquisition will extend to any Atkins Shares which are unconditionally allotted, issued or transferred to satisfy the exercise of options or vesting of awards under the Atkins Share Plans prior to the Scheme Record Time.

## **13. Offer-related Arrangements**

### **Confidentiality Agreement**

On 3 April 2017, SNC-Lavalin and Atkins entered into the Confidentiality Agreement in relation to the Acquisition, pursuant to which, amongst other things, SNC-Lavalin has undertaken to: (a) subject to certain exceptions, keep information relating to Atkins and the Acquisition confidential and not to disclose it to third parties; and (b) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until either the completion of the Acquisition or 3 April 2019.

The Confidentiality Agreement contains standstill provisions which restrict SNC-Lavalin from acquiring or offering to acquire interests in certain securities of Atkins; such restrictions cease to apply upon the release of this Announcement.

### **Cooperation Agreement**

SNC-Lavalin, SNC-Lavalin Bidco and Atkins have entered into the Cooperation Agreement, pursuant to which each of SNC-Lavalin and SNC-Lavalin Bidco has agreed to use all reasonable endeavours to ensure the satisfaction of the Regulatory Conditions as soon as reasonably practicable and before 31 July 2017.

SNC-Lavalin and Atkins have agreed to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, notifications and submission to be made in relation to obtaining the necessary clearances to satisfy the Regulatory Conditions.

By way of compensation for any loss or damage that may be suffered by Atkins if SNC-Lavalin or SNC-Lavalin Bidco invokes (and is permitted by the Panel to invoke) any Regulatory Condition on or prior to 31 July 2017, or any Regulatory Condition has not been satisfied or waived by SNC-Lavalin or SNC-Lavalin Bidco by 11.59 p.m. on 31 July 2017, SNC-Lavalin has agreed to pay Atkins a break fee of £50,000,000.

No break fee will be payable if the Cooperation Agreement has terminated prior to the relevant break fee trigger event occurring or if a break fee trigger event occurs and the relevant break fee trigger was caused to a material extent by Atkins' failure to comply with its co-operation and assistance obligations in connection with obtaining the necessary clearances to satisfy the Regulatory Conditions.

The Cooperation Agreement will terminate with immediate effect:

- if agreed in writing between the parties prior to the Effective Date;
- on service of written notice by SNC-Lavalin if:
  - Atkins announces that the Atkins Directors no longer intend to give, or intend to adversely modify or qualify, their recommendation;
  - Atkins Directors do not make the recommendation in the Scheme Document or the recommendation is subsequently withdrawn or adversely modified or qualified; or
  - an independent competing transaction is recommended by the Atkins Directors or becomes effective or becomes or is declared unconditional in all respects;
- if the Scheme (or if applicable the Offer), lapses, terminates or is withdrawn in accordance with its terms prior to 31 July 2017 (with the consent of the Panel, if required) (other than (i) where this follows a switch to implement the Acquisition by way of an Offer or (ii) it is otherwise to be followed within 5 business days by an announcement by SNC-Lavalin or SNC-Lavalin Bidco (or a person acting in concert with either of them) under Rule 2.7 of the Code to implement the Acquisition by a different offer or scheme on substantially the same or improved terms and which is (or is intended to be) recommended by the Atkins Directors);
- if the Effective Date does not occur by or on 31 July 2017;
- upon service of written notice by SNC-Lavalin on Atkins or by Atkins on SNC-Lavalin following the occurrence of a break fee trigger event; or
- on the Effective Date.

The Cooperation Agreement also contains provisions that will apply in respect of directors' and officers' insurance, the Atkins Share Plans and certain other employee related arrangements.

### **Joint Defence Agreement**

SNC-Lavalin and Atkins have entered into the Joint Defence Agreement, the purposes of which is to ensure that the exchange and disclosure of certain materials relating to the parties, taking place only between their respective legal counsel for the purposes of the antitrust work stream, is ring-fenced and preserves the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

The Cooperation Agreement, the Confidentiality Agreement and the Joint Defence Agreement are disclosed in accordance with paragraph 19 below.

### **14. Structure of the Acquisition**

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between Atkins and the Scheme Shareholders, under Part 26 of the Companies Act. The purpose of the Scheme is to provide for SNC-Lavalin Bidco to become the owner of the entire issued and to be issued share capital of Atkins. Under the Scheme, the Acquisition will be achieved by the transfer of the Scheme Shares by the Scheme Shareholders to SNC-Lavalin Bidco in consideration for which the Scheme Shareholders will receive cash on the basis described in paragraph 2 above. The procedure involves, among other things, an application by Atkins to the Court to sanction the Scheme.

The Acquisition is subject to the Conditions and certain further terms referred to in Appendix 1 to this Announcement and to the full terms and conditions to be set out in the Scheme Document, and will only become Effective if, among other things, the following events occur on or before 31 July 2017 (or such later date as SNC-Lavalin and Atkins may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of each class of the Scheme Shares held by those Scheme Shareholders;
- the resolution(s) necessary to implement the Scheme is/are passed by the requisite majority of Atkins Shareholders at the General Meeting (which will require the approval of Atkins Shareholders representing at least 75 per cent. of the votes cast at the General Meeting either in person or by proxy);
- following the Court Meeting and General Meeting, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by SNC-Lavalin and Atkins); and
- following such sanction, an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

Upon the Scheme becoming Effective: (i) it will be binding on all Atkins Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Atkins Shares will cease to be valid and entitlements to Atkins Shares held within the CREST system will be cancelled.

Any Atkins Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The resolution(s) to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any Atkins Shares issued after the Scheme Record Time (other than to SNC-Lavalin or SNC-Lavalin Bidco and/or their nominees) to be automatically transferred to SNC-Lavalin Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than SNC-Lavalin or SNC-Lavalin Bidco and their nominees) holding shares in the capital of Atkins after the Effective Date.

If the Scheme does not become Effective on or before 31 July 2017 (or such later date as SNC-Lavalin and Atkins may, with the consent of the Panel, agree and, if required, the Court may approve), it will lapse and the Acquisition will not proceed (unless the Panel otherwise consents).

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting. The Scheme Document will also contain the expected timetable for the Acquisition, and will specify the necessary actions to be taken by Atkins Shareholders. It is expected that the Scheme Document, together with the Forms of Proxy, will be published as soon as practicable and in any event, within 28 days of this Announcement (unless the Panel agrees otherwise). Subject, amongst other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become Effective in the third quarter of 2017. An expected timetable of events will be included in the Scheme Document.

## **15. Delisting and re-registration**

It is intended that dealings in Atkins Shares will be suspended at 5.00 p.m. London time on the business day prior to the Effective Date. It is further intended that an application will be made to the UK Listing Authority to cancel the listing of the Atkins Shares on the Official List, and the London Stock Exchange will be requested to cancel trading of Atkins Shares on the Main Market of the London Stock Exchange, with effect as of or shortly following the Effective Date.

It is also intended that Atkins will be re-registered as a private company under the relevant provisions of the Companies Act as soon as possible after the Effective Date.

## **16. Disclosure of interests in Atkins relevant securities**

The deadline for SNC-Lavalin to make an Opening Position Disclosure under Rule 8.1(a) of the Code was 19 April 2017 (being 10 Business days from the date of the announcement of the Possible Offer). Since neither SNC-Lavalin nor any party deemed to be acting in concert with SNC-Lavalin had any

interest in relevant securities in Atkins which required to be disclosed under Rule 8.1(a) of the Code, no Opening Position Disclosure was made.

Except for the irrevocable commitments referred to in paragraph 6 above, as at the date of this Announcement neither SNC-Lavalin Bidco, nor any of the SNC-Lavalin Bidco Directors, nor, as far as SNC-Lavalin Bidco is aware, any person acting in concert (within the meaning of the Code) with SNC-Lavalin Bidco:

- has any interest in, or right to subscribe for, any relevant securities of Atkins; nor
- has any short position in relevant securities of Atkins, including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of relevant securities of Atkins; nor
- has borrowed or lent any relevant securities of Atkins or entered into any financial collateral arrangements relating to relevant securities of Atkins; nor
- is party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Code in relation to relevant securities of Atkins.

#### **17. Atkins ADRs**

Atkins and SNC-Lavalin have agreed that they will put arrangements in place to allow holders of Atkins ADRs to participate in the Acquisition. JPMorgan Chase Bank N.A. will contact holders of Atkins ADRs with further details of these proposals in due course.

#### **18. Overseas shareholders**

The availability of the Acquisition or the distribution of this Announcement to Atkins Shareholders who are not resident in the United Kingdom may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Atkins Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This Announcement does not constitute an offer for sale of any securities or an offer or an invitation to purchase any securities. Atkins Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been published.

#### **19. Documents published on a website**

Copies of the following documents will, by no later than 12 noon (London time) on 21 April 2017, be published on Atkins' website at [www.atkinglobal.com](http://www.atkinglobal.com) and SNC-Lavalin's website at [www.snclavalin.com](http://www.snclavalin.com) until the Effective Date:

- this Announcement;
- the irrevocable undertakings referred to in paragraph 6;
- the financing documentation referred to in paragraph 9 and Appendix 4; and
- the Confidentiality Agreement, the Cooperation Agreement and the Joint Defence Agreement referred to in paragraph 13.

The contents of Atkins' website and SNC-Lavalin's website are not incorporated into and do not form part of this Announcement.

#### **20. General**

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 and the further terms and conditions to be set out in the Scheme Document when issued.

The Acquisition will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Acquisition will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

The bases and sources of certain information contained in this Announcement are set out in Appendix 2. Certain terms used in this Announcement are defined in Appendix 5.

SNC-Lavalin Bidco reserves the right (subject to the Panel's consent and to the terms of the Cooperation Agreement) to elect to implement the Acquisition by way of an Offer for the entire issued and to be issued share capital of Atkins as an alternative to the Scheme. In such an event an Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in paragraph 4 of Part B of Appendix 1 of this Announcement.

If the Acquisition is effected by way of an Offer and such Offer becomes or is declared unconditional in all respects and sufficient acceptances are received SNC-Lavalin Bidco intends to: (i) make a request to the UK Listing Authority to cancel the listing of Atkins Shares from the Official List; (ii) make a request to the London Stock Exchange to cancel trading in Atkins Shares on its market for listed securities; and (iii) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining Atkins Shares in respect of which the Offer has not been accepted.

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### **Further information**

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Atkins in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely by means of the Scheme Document, which will contain the full terms and conditions of the Acquisition including details of how to vote in respect of the Scheme. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document.*

*RBC Capital Markets is the trading name for RBC Europe Limited, which is authorised by the PRA and regulated by the FCA and the PRA and is a subsidiary of the Royal Bank of Canada, is acting as financial adviser to SNC-Lavalin and SNC-Lavalin Bidco and no-one else in connection with the matters described in this Announcement and will not be responsible to anyone other than SNC-Lavalin and SNC-Lavalin Bidco for providing the protections afforded to clients of RBC nor for providing advice in connection with the matters referred to herein. Neither RBC nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of RBC in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*Moelis & Company, which is authorised and regulated by the FCA in the UK, is acting exclusively as financial adviser to Atkins and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Atkins for providing the protections afforded to clients of Moelis & Company nor for providing advice in connection with the matters referred to herein. Neither Moelis & Company nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Moelis & Company in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*J.P. Morgan Limited (which conducts its UK investment banking activities as J.P. Morgan Cazenove) ("J.P. Morgan Cazenove"), which is authorised and regulated by the FCA in the UK, is acting exclusively as financial adviser to Atkins and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Atkins for providing the protections afforded to clients of J.P. Morgan Cazenove nor for providing advice in connection with the matters referred to herein. Neither J.P. Morgan Cazenove nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of J.P. Morgan Cazenove in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

*Numis Securities Limited (Numis), which is authorised and regulated by the FCA in the UK, is acting exclusively as corporate broker to Atkins and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Atkins for providing the protections afforded to clients of Numis nor for providing advice in connection with the matters referred to herein. Neither Numis nor any of its subsidiaries or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person in connection with this Announcement, any statement contained herein, the Acquisition or otherwise.*

### **Overseas jurisdictions**

*The availability of the Acquisition to Atkins Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Scheme Document.*

*The release, publication or distribution of this Announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England.*

*Copies of this Announcement and the formal documentation relating to the Scheme and the Acquisition will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction.*

### **Canadian Holders**

*Canadian Holders should note that the Acquisition relates to the securities of a UK company listed on the Main Market of the London Stock Exchange, is subject to UK disclosure requirements and practices (which are different from those applicable in Canada) and is proposed to be implemented under a scheme of arrangement under English company law. A transaction effected by means of a scheme of arrangement is not subject to the provisions of Canadian provincial securities laws applicable to take-over bids. Accordingly, the Scheme will be subject to UK disclosure requirements and practices, which are different from the disclosure requirements of Canadian provincial securities laws applicable to take-over bids. The financial information included in this Announcement and the Scheme Document has been or will have been prepared in accordance with IFRS and thus may not be comparable to financial information of Canadian companies or companies whose financial statements are not prepared in accordance with IFRS. If SNC-Lavalin exercises its right to implement the acquisition of the Atkins Shares by way of an Offer, any such Offer made in Canada will be made in compliance with (or pursuant to available exemptions from) the applicable requirements of Canadian provincial securities laws. Such a takeover offer would be made by SNC-Lavalin (or by a wholly-owned subsidiary of SNC-Lavalin) and no one else.*

*The receipt of cash pursuant to the Acquisition by a Canadian Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for Canadian federal income tax purposes and under applicable Canadian provincial income tax laws, as well as foreign and other, tax laws. Each Atkins Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.*



## **US Holders**

*US Holders should note that the Acquisition relates to the securities of a UK company listed on the Main Market of the London Stock Exchange, is subject to UK disclosure requirements and practices (which are different from those of the US) and is proposed to be implemented under a scheme of arrangement under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act, and the proxy solicitation rules under the US Exchange Act will not apply to the Acquisition. The Scheme will be subject to UK disclosure requirements and practices, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules. The financial information included in this Announcement and the Scheme Document has been or will have been prepared in accordance with IFRS, and thus may not be comparable to financial information of companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. However, if SNC-Lavalin were to exercise its right to implement the Acquisition of the Atkins Shares by way of an Offer, such Offer will be made in compliance with applicable US tender offer and securities laws and regulations. Such an Offer would be made by SNC-Lavalin or a wholly-owned subsidiary of SNC-Lavalin and no one else.*

*The receipt of cash pursuant to the Acquisition by a US Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Atkins Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.*

*It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since SNC-Lavalin and Atkins are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, SNC-Lavalin or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Atkins Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory Information Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/pricesandnews/prices-news/home.htm>*

## **Forward looking statements**

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by SNC-Lavalin and Atkins contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of SNC-Lavalin and Atkins about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.*

*The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Acquisition on SNC-Lavalin and Atkins, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be*

taken, occur or be achieved. Although SNC-Lavalin and Atkins believe that the expectations reflected in such forward-looking statements are reasonable, SNC-Lavalin and Atkins can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to consummate the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; as future market conditions, changes in general economic and business conditions, the behaviour of other market participants, the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which SNC-Lavalin and Atkins operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which SNC-Lavalin and Atkins operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither SNC-Lavalin nor Atkins, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA, as applicable), neither SNC-Lavalin nor Atkins is under any obligation, and SNC-Lavalin and Atkins expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

#### **No profit forecasts or estimates**

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for SNC-Lavalin or Atkins, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for SNC-Lavalin or Atkins, as appropriate.

#### **Dealing disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that

*these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3. Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Publication on website**

*In accordance with Rule 26.1 of the Code, a copy of this Announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SNC-Lavalin's website at [www.snclavalin.com](http://www.snclavalin.com) and Atkins' website at [www.atkinsglobal.com](http://www.atkinsglobal.com) by no later than 12 noon (London time) on the business day following this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated by reference and do not form part of this Announcement.*

### **Requesting hard copy documents**

*Atkins Shareholders may request a hard copy of this Announcement by contacting the Company Secretary of Atkins during business hours on +44 (0) 20 7121 2000 or by submitting a request in writing to the Company Secretary of Atkins at Euston Tower, 286 Euston Road, London, NW1 3AT. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

### **Electronic communications**

*Please be aware that addresses, electronic addresses and certain other information provided by Atkins Shareholders, persons with information rights and other relevant persons for the receipt of communications from Atkins may be provided to SNC-Lavalin during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

### **Rounding**

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

## Appendix 1

### Conditions and Certain Further Terms of the Scheme and the Acquisition

#### A. Conditions to the Scheme and Acquisition

The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Code, on or before 31 July 2017 or such later date (if any) as SNC-Lavalin and Atkins may, with the consent of the Panel, agree and (if required) the Court may approve.

#### *Scheme approval*

1. The Scheme will be conditional upon:
  - (a) approval of the Scheme by a majority in number of the Scheme Shareholders representing not less than 75 per cent. in value of the Scheme Shares held by the Scheme Shareholders (or the relevant class or classes thereof, if applicable) in each case present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meetings, provided that the Court Meeting may not be adjourned beyond the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date (if any) as SNC-Lavalin Bidco and Atkins may agree and the Court may allow);
  - (b) all resolutions necessary to approve and implement the Scheme as set out in the notice of the General Meeting (including, without limitation, the Resolutions) being duly passed by the requisite majority at the General Meeting or at any adjournment thereof, provided that the General Meeting may not be adjourned beyond the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date (if any) as SNC-Lavalin Bidco and Atkins may agree and the Court may allow); and
  - (c) the sanction of the Scheme by the Court (without modification, or with modification on terms acceptable to SNC-Lavalin Bidco and Atkins), provided that the Scheme Court Hearing may not be adjourned beyond the 22nd day after the expected date of the Scheme Court Hearing to be set out in the Scheme Document in due course (or such later date (if any) as SNC-Lavalin Bidco and Atkins may agree and the Court may allow), and the delivery of an office copy of the Scheme Court Order to the Registrar of Companies.

In addition, SNC-Lavalin, SNC-Lavalin Bidco and Atkins have agreed that, subject as stated in Part B below and to the requirements of the Panel, the Acquisition will be conditional upon the following matters and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

#### *Regulatory clearances*

2. All merger control filings to the relevant anti-trust/competition law authority having been made in accordance with all applicable laws and regulations in each of the United States of America, Botswana, Kenya and Tanzania (each, a "**Required Approval Jurisdiction**") and all merger control clearances or approvals that are necessary from such anti-trust/competition law authorities having been received on terms reasonably satisfactory to SNC-Lavalin (acting in accordance with the terms of the Cooperation Agreement) or any waiting periods having expired, lapsed or otherwise terminated in each Required Approval Jurisdiction.

#### *General third party clearances*

3. Excluding filings, applications, obligations, notifications, waiting and other time periods, and clearances relating to antitrust or merger control (in respect of which only paragraph 2 above shall apply), all necessary filings or applications having been made, all necessary waiting and

other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with, in each case in connection with the Acquisition or the acquisition by any member of the Wider SNC-Lavalin Group of any shares or other securities in, or control of, any member of the Wider Atkins Group, where the direct consequence of a failure to make such a notification or filing or to wait for the expiry, lapse, or termination of any such waiting or time period would be unlawful in any relevant jurisdiction.

4. No Third Party having intervened (as defined below) (other than any Third Party having intervened in respect of antitrust or merger control (in respect of which only paragraph 2 above shall apply)) and there not continuing to be outstanding any statute, regulation or order of any Third Party (other than any statute, regulation or order of any Third Party relating to antitrust or merger control (in respect of which only paragraph 2 above shall apply)), in each case which would or might reasonably be expected to:
  - (a) make the Scheme or the Acquisition or, in each case, its implementation or the acquisition or proposed acquisition by SNC-Lavalin or any member of the Wider SNC-Lavalin Group of any shares or other securities in, or control or management of, Atkins or any member of the Wider Atkins Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or materially delay the same or impose additional conditions or obligations with respect to the Scheme or the Acquisition or such acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Acquisition or such acquisition, or require amendment to the terms of the Scheme or Acquisition or the acquisition or proposed acquisition of any Atkins Ordinary Shares or the acquisition of control or management of Atkins or the Wider Atkins Group by SNC-Lavalin or any member of the Wider SNC-Lavalin Group;
  - (b) materially limit or delay, or impose any material limitations on, the ability of any member of the Wider SNC-Lavalin Group or any member of the Wider Atkins Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Wider Atkins Group or any member of the Wider SNC-Lavalin Group;
  - (c) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider SNC-Lavalin Group of any shares or other securities in Atkins or of all or any portion of their respective businesses, assets or properties or materially limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;
  - (d) except pursuant to sections 974 to 991 of the Companies Act, require any member of the Wider SNC-Lavalin Group or of the Wider Atkins Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of either group owned by any third party;
  - (e) materially limit the ability of any member of the Wider SNC-Lavalin Group or of the Wider Atkins Group to conduct or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider SNC-Lavalin Group or of the Wider Atkins Group; or
  - (f) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position of any member of the Wider Atkins Group or of the Wider SNC-Lavalin Group.

***Certain matters arising as a result of any arrangement, agreement, etc.***

5. Except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Wider Atkins Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject,

which, in each case as a consequence of the Scheme or Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control of, Atkins or any other member of the Wider Atkins Group by any member of the Wider SNC-Lavalin Group or otherwise, would be expected to result in (in any case to an extent which would reasonably be expected to be material and adverse in the context of the Atkins Group taken as a whole):

- (a) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider Atkins Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity date or repayment date or the ability of any member of the Wider Atkins Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;
- (b) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Atkins Group;
- (c) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any member of the Wider Atkins Group thereunder, being, or becoming capable of being, terminated or modified or affected or any action being taken or any obligation or liability arising thereunder;
- (d) any asset or interest of any member of the Wider Atkins Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Atkins Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to any member of the Wider Atkins Group otherwise than in the ordinary course of business;
- (e) any member of the Wider Atkins Group ceasing to be able to carry on business under any name under which it presently does so;
- (f) the creation of any liabilities (actual or contingent) by any member of the Wider Atkins Group other than trade creditors or other liabilities incurred in the ordinary course of business;
- (g) the rights, liabilities, obligations or interests of any member of the Wider Atkins Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified or affected; or
- (h) the financial or trading position or the value of any member of the Wider Atkins Group being prejudiced or adversely affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, would or would reasonably be expected to result in any of the events or circumstances which are referred to in paragraphs (a) to (h) of this Condition 5 in any case to an extent which would or might reasonably be expected to be material in the context of the Atkins Group taken as a whole.

***Certain events occurring since 31 March 2016***

6. Except as Disclosed, no member of the Wider Atkins Group having, since 31 March 2016:
- (a) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exercisable or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury, in each case other than as between Atkins and wholly-owned subsidiaries of Atkins or the grant of options, awards and other rights under the Atkins Share Schemes, or any shares issued or shares transferred from

treasury upon the exercise of any options, awards and other rights granted under any of the Atkins Share Schemes;

- (b) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital in each case to an extent which is material in the context of the Wider Atkins Group taken as a whole;
- (c) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to Atkins or a wholly-owned subsidiary of Atkins);
- (d) save for intra-Atkins Group transactions, made or authorised any change in its loan capital other than in connection with ordinary course financing arrangements;
- (e) save for intra-Atkins Group transactions, entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same (in each case to an extent which is material in the context of the Wider Atkins Group taken as a whole);
- (f) save in the ordinary course of business, issued or authorised the issue of, or made any change in or to, any debentures or (save for intra-Atkins Group transactions) incurred or increased any indebtedness or liability (actual or contingent) which in any case is material in the context of the Wider Atkins Group taken as a whole;
- (g) entered into, varied, or authorised any material agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (A) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude (save in the ordinary course of business); or
  - (B) is likely to materially restrict the business of any member of the Wider Atkins Group other than to a nature and extent which is normal in the context of the business concerned,

and, in either case, which is or would reasonably be expected to be material in the context of the Wider Atkins Group taken as a whole;

- (h) (other than in respect of a member which is dormant or which is solvent at the relevant time) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case is or would reasonably be expected to be material in the context of the Wider Atkins Group taken as a whole;
- (i) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business to an extent which is material in the context of the Wider Atkins Group taken as a whole;
- (j) other than in respect of claims between Atkins and wholly owned subsidiaries of Atkins, waived or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider Atkins Group taken as a whole;

- (k) made any alteration to its memorandum or articles of association (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;
- (l) (except in relation to changes made or agreed as a result of, or arising from, legislation or changes to legislation) made or agreed or consented to:
  - (A) any material change:
    - (I) to the terms of the trust deeds constituting the pension scheme(s) established for its directors, employees or their dependants; or
    - (II) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder; or
    - (III) the basis on which qualification for, or accrual or entitlement to such benefits or pensions are calculated or determined; or
    - (IV) the basis upon which the liabilities (including pensions) or such pension schemes are funded, valued or made,

in each case, which is material in the context of the Wider Atkins Group taken as a whole,
  - (B) any change to the trustees including the appointment of a trust corporation;
- (m) entered into or materially varied the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, agreement, commitment, transaction or arrangement with any director or senior executive which is material in the context of the Acquisition or which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Atkins Group;
- (n) proposed, agreed to provide or materially modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Atkins Group in each case which is material in the context of the Wider Atkins Group taken as a whole; and
- (o) on or after the date of this Announcement, and other than with the consent of SNC-Lavalin Bidco, no action having been taken or proposed by any member of the Wider Atkins Group which requires or would require the approval of Atkins Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code, provided that this sub-paragraph shall not apply in relation to any action in relation to any Independent Competing Transaction as defined in the Cooperation Agreement, in relation to which only the relevant provisions of the Cooperation Agreement will apply.

***No adverse change, litigation or regulatory enquiry***

7. Except as Disclosed, since 31 March 2016:

- (a) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Wider Atkins Group which in any case is material in the context of the Wider Atkins Group taken as a whole;
- (b) no contingent or other liability of any member of the Wider Atkins Group having arisen or become apparent or increased which in any case which is or would reasonably be expected to be material in the context of the Wider Atkins Group taken as a whole;
- (c) (other than as a result of or in connection with the Acquisition), no litigation, arbitration proceedings, prosecution or other legal or regulatory proceedings to which any member of the Wider Atkins Group is or may become a party (whether as plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of



the Wider Atkins Group having been threatened in writing, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Atkins Group which in any such case is or would reasonably be expected to be material in the context of the Wider Atkins Group taken as a whole;

- (d) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Atkins Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Atkins Group taken as a whole; and
- (e) no member of the Wider Atkins Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Wider Atkins Group taken as a whole.

***No discovery of certain matters***

8. Except as Disclosed, SNC-Lavalin Bidco not having discovered:

- (a) that any financial or business or other information concerning the Wider Atkins Group disclosed at any time by or on behalf of any member of the Wider Atkins Group, whether publicly, to any member of the Wider SNC-Lavalin Group or to any of their advisers or otherwise, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading, in each case to an extent which is material in the context of the Wider Atkins Group taken as a whole;
- (b) that any member of the Wider Atkins Group is subject to any liability (actual or contingent) which is material in the context of the Wider Atkins Group taken as a whole;
- (c) any past or present member of the Wider Atkins Group has not complied in all material respects with all applicable legislation or regulations of any jurisdiction relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place), which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) or cost on the part of any member of the Wider Atkins Group, which in any case is material in the context of the Wider Atkins Group as a whole;
- (d) there is any material liability (actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by of any past or present member of the Wider Atkins Group under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction, which in any case is material in the context of the Wider Atkins Group taken as a whole.

***Anti-corruption, sanctions and criminal property***

9. Except as Disclosed, SNC-Lavalin Bidco not having discovered that:

- (a) any:
  - (A) past or present member, director, officer or employee of the Wider Atkins Group; or

- (B) person that performs or has performed services on behalf of the Wider Atkins Group,

has at any time engaged in an activity, practice or conduct which would constitute an offence under the UK Bribery Act 2010, the US Foreign Practices Act of 1977, The Corruption of Foreign Public Officials Act (Canada) 1998 or any other applicable anti-corruption legislation;

- (b) any material asset of any member of the Wider Atkins Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (c) any past or present member, director, officer or employee of the Wider Atkins Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, or made any payments or assets available to or received any funds or asset from:
  - (A) any government, entity, or individual with which US or Canadian or European Union persons (or persons operating in those territories) are prohibited from engaging in activities, doing business or from receiving or making available funds or economic resources, by US, Canadian or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, HM Treasury & Customs or Global Affairs Canada; or
  - (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States, Canada or the European Union or any of its member states; or
- (d) a member of the Atkins Group has engaged in a transaction which would cause the SNC-Lavalin Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control, HM Treasury & Customs, Global Affairs Canada or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States, Canada or the European Union or any of its member states.

10. For the purpose of these Conditions:

- (a) **Third Party** means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority, court, trade agency, association, institution or professional or environmental body in any relevant jurisdiction, including, for the avoidance of doubt, the Panel; and
- (b) a Third Party shall be regarded as having "**intervened**" if it has given notice to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and "intervene" shall be construed accordingly.

## **B. Certain further terms of the Scheme and the Acquisition**

- 1 Conditions 2 to 9 (inclusive) must be fulfilled, be determined by SNC-Lavalin Bidco to be or remain satisfied or (if capable of waiver) be waived prior to the commencement of the Scheme Court Hearing, failing which the Scheme will lapse.
- 2 Notwithstanding the paragraph above and subject to the requirements of the Panel, SNC-Lavalin Bidco reserves the right in its sole discretion to waive all or any of Conditions 2 to 9

- (inclusive), in whole or in part and to proceed with the Scheme Court Hearing prior to the fulfilment, satisfaction or waiver of any of the Conditions 2 to 9 (inclusive).
- 3 SNC-Lavalin Bidco shall be under no obligation under the terms and Conditions of the Acquisition to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 2 to 9 (inclusive) by a date earlier than the latest date specified in paragraph 1 above, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
  - 4 SNC-Lavalin Bidco reserves the right to elect to implement the Acquisition by way of a takeover offer (as defined in Part 28 of the Companies Act), subject to the Panel's consent and (while the Cooperation Agreement is continuing) to the terms of the Cooperation Agreement. In such event, such Offer will be implemented on the same terms and conditions (subject to appropriate amendments, including (without limitation) an acceptance condition set at such percentage level to be determined with the consent of the Panel and agreement, if applicable, of Atkins, being more than 50 per cent. of the shares to which the Offer relates) so far as applicable, as those which would apply to the Scheme.
  - 5 Under Rule 13.5(a) of the Code, SNC-Lavalin Bidco may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to SNC-Lavalin in the context of the Acquisition. The Conditions contained in paragraph 1 above and, if applicable, any acceptance condition if the Offer is implemented by means of a takeover offer, are not subject to this provision of the Code.
  - 6 If the Panel requires SNC-Lavalin Bidco to make an offer for Atkins Shares under the provisions of Rule 9 of the Code, SNC-Lavalin Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
  - 7 The Acquisition will be subject, inter alia, to the Conditions and certain further terms which are set out in this Appendix 1 and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the Listing Rules and the provisions of the Code.
  - 8 The Acquisition will lapse if there is a Phase 2 CMA reference (as defined in the Code) or Phase 2 European Commission proceedings (as defined in the Code) are initiated in respect of the Acquisition before the date of the Court Meeting and the General Meeting.
  - 9 SNC-Lavalin Bidco may not invoke any of the Conditions, other than the Conditions set out in paragraph 2 to 4 (inclusive) of Part A of this Appendix 1, as a result of: (A) any failure by SNC-Lavalin, SNC-Lavalin Bidco or Atkins to (i) make any filing or application to any relevant Regulatory Authority; (ii) obtain any authorisation, order, recognition, grant, consent, licence, confirmation, clearance, permission or approval from any Regulatory Authority; or (iii) comply with any statutory or regulatory obligation in any jurisdiction, in each case in respect of the Acquisition or its implementation; or (B) any Regulatory Authority having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or having enacted, made or proposed any statute, regulation, decision or order, or having taken any other step under the laws of any jurisdiction in respect of the Acquisition, or any waiting or other applicable time period for any of the foregoing not having expired; or (C) any effects of or facts, matters, events or circumstances arising directly as a result of any of the foregoing.
  - 10 Atkins Shares will be acquired by SNC-Lavalin fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or paid after the date of this Announcement. If after the date of this Announcement and prior to the Effective Date, any dividend and/or other distribution and/or other return of value is declared, made or paid in respect of Atkins Shares, SNC-Lavalin shall be entitled to reduce the amount of consideration payable for such Atkins Shares under the terms of the Acquisition by an amount equivalent to such dividend, other

distribution or return of value. If any such dividend and/or other distribution and/or other return of capital occurs, any reference to this Announcement to the Offer Price shall be deemed to be a reference to the Offer Price as so reduced.

- 11 This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme, and any proxies will be governed by English law and be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.
- 12 Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to overseas shareholders will be contained in the Scheme Document.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## Appendix 2

### Bases and Sources

- (a) As at the close of business on 19 April 2017, being the last business day prior to this Announcement, Atkins had in issue 100,110,799 Atkins Shares (excluding 4,341,000 Atkins Shares held in treasury).
- (b) The fully diluted share capital of Atkins is calculated on the basis of (A) the number of issued Atkins Shares set out in paragraph (a) above; and (B) any further Atkins Shares which may be issued on or after the date of this Announcement on the exercise or vesting of awards under the Atkins Share Plans, amounting in aggregate to 101,288,113 Atkins Shares.
- (c) The value attributed to the existing issued and to be issued ordinary share capital of Atkins is based upon the Offer Price multiplied by the fully diluted number of Atkins Shares referred to in paragraph (b) above.
- (d) The exchange rate used to convert amounts from Sterling to Canadian Dollars or to Canadian Dollars from Sterling is the GBP:CAD exchange rate of 1.7229 as of 5.00 p.m. (UK time) fix on 19 April 2017, being the last business day prior to the date of this Announcement, from Bloomberg.
- (e) Unless otherwise stated, the financial information on Atkins is extracted (without material adjustment) from Atkins' Annual Report and Accounts for the year ended 31 March 2016 and from the announcement of Atkins' half year results for the six months ended 30 September 2016.
- (f) The closing market prices of Atkins Shares are the closing middle market quotations as derived from the Daily Official List.
- (g) The volume-weighted average Atkins Share prices have been calculated by reference to data provided by Bloomberg.
- (h) The enterprise value of Atkins is based on the value of Atkins' issued share capital of 100,110,799 Shares by applying the Offer Price, plus Atkins' net debt of approximately £10 million (as reported in Atkins' pre close trading update dated 12 April 2017) and non-controlling interests in of -£0.4 million, IAS19 pension deficit net of deferred tax of £333.5 million and other post-employment benefit liabilities of £22.5 million (as reported in Atkins' half year financial report for the six months ended 30 September 2016).
- (i) The acquisition multiple (including synergies) of approximately 9.8 times Atkins' underlying EBITDA for twelve month period ended 30 September 2016 was calculated as a ratio of Enterprise Value (as defined above) to underlying EBITDA for the twelve month period ended 30 September 2016 (as defined below) and expected run-rate cost synergies (as defined below).
- (j) Atkins' underlying EBITDA for the twelve month period ended 30 September 2016 was £180.7 million as reported in Atkins' half year financial report for the six months ended 30 September 2016.
- (k) Expected run-rate cost synergies of C\$120 million by the end of 2018.
- (l) Pro forma financials based on SNC-Lavalin year ended December 31, 2016 and Atkins constructed twelve month period ended September 30, 2016.
- (m) Atkins results converted to Canadian Dollars from Sterling at a GBP:CAD exchange rate of 1.8884, based on the average rate over the twelve month period ended 30 September 2016, from Bloomberg.

- (n) Atkins' Energy segment revenue assumed to be allocated 77 per cent. Power and 23 per cent. Oil & Gas.
- (o) Atkins' Energy segment revenue assumed to be allocated 41 per cent. Europe, 46 per cent. North America, 9 per cent. Middle East & Africa and 4 per cent. Asia Pacific.
- (p) The premium calculations to the price per Atkins Share have been calculated by reference to:
- the closing price of 1,540 pence per Atkins Share on 31 March 2017 (being the last business day before the announcement of the Possible Offer);
  - the average of the daily volume-weighted average price of 1,468 pence per Atkins Share for the three-month period ended 31 March 2017 (being the last business day before the announcement of the Possible Offer); and
  - the average of the daily volume-weighted average price of 1,449 pence per Atkins Share for the twelve-month period ended 31 March 2017 (being the last business day before the announcement of the Possible Offer).
- (q) Footnote (1) in paragraph 3 of this Announcement - Accretive to pro forma 2017 adjusted consolidated and adjusted E&C earning per share, excluding transaction-related intangible amortisation and integration costs.
- (r) Footnote (2) in paragraph 3 of this Announcement – information based on SNC-Lavalin E&C December 2016 and Atkins last 12 months ended 30 September 2016.

### Appendix 3

#### Details of Irrevocable Undertakings

The following Atkins Directors who hold Atkins Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting in relation to the following Atkins Shares:

<b>Name</b>	<b>Number of Atkins Shares</b>	<b>Percentage of Atkins Shares</b>
Catherine Bradley	2,500	0.002%
Allan Cook	17,142	0.017%
Fiona Clutterbuck	4,146	0.004%
Allister Gordon Langlands	5,000	0.005%
Thomas Chris Leppert	2,676	0.003%
Alan James Cullens	241	0.000%
Heath Drewett	68,761	0.069%
Uwe Krueger	39,527	0.039%

The undertakings from the Atkins Directors will cease to be binding only if (i) the Panel consents to SNC-Lavalin Bidco not proceeding with the Acquisition; (ii) the Scheme Document is not dispatched to Atkins Shareholders within 28 days (or such longer period as may be agreed between Atkins and the Panel) of this Announcement; or (iii) the Scheme or Offer lapses or is withdrawn and no new, revised or replacement Scheme or Offer is announced in accordance with Rule 2.7 of the Code, in its place or is announced, in accordance with Rule 2.7 of the Code, at the same time. The undertakings will remain binding in the event that a higher competing offer for Atkins is made.

## Appendix 4

### Financing Arrangements

#### Underwriting Letter

SNC-Lavalin has executed the Underwriting Letter with RBC Dominion Securities Inc., TD Securities and BMO Capital Markets as co-lead underwriters (the "**Co-Lead Underwriters**") pursuant to which SNC-Lavalin has agreed to sell and the Co-Lead Underwriters have agreed to buy, on a bought deal basis, 15,550,000 subscription receipts of SNC-Lavalin from treasury at a price (the "**Underwriting Price**") of C\$51.45 per subscription receipt in consideration of gross proceeds of C\$800 million (the "**Offering**"). In addition, the Co-Lead Underwriters will be granted an over-allotment option, exercisable in whole or in part, at the Underwriting Price for a period of 30 days from the closing date of the Offering, for additional gross proceeds of up to C\$80 million.

Pursuant to the Underwriting Letter, SNC-Lavalin has undertaken to file, within 2 business days of the signature of the Underwriting Letter, a prospectus supplement in each province of Canada to qualify the subscription receipts issuable pursuant to the Offering (including pursuant to the exercise of the over-allotment option) and to enter into an underwriting agreement (the "**Underwriting Agreement**") with the Co-Lead Underwriters in respect of the Offering immediately prior to the filing of the prospectus supplement. The completion of the Offering is conditional on the concurrent closing of the Private Placement.

The proceeds of the Offering will be used to fund in part the cash consideration payable by SNC-Lavalin Bidco and will be made available to it by way of an inter-company loan.

Further details relating to the Underwriting Agreement will be set out in the Scheme Document.

#### Private Placement

On the date of this Announcement, SNC-Lavalin has entered into a subscription agreement with CDPQ ("**Subscription Agreement**") pursuant to which CDPQ will purchase, on a private placement basis, 7,775,000 subscription receipts of SNC-Lavalin at a price of C\$51.45 per subscription receipt, in consideration of gross proceeds to SNC-Lavalin of C\$400 million ("**Private Placement Proceeds**") on the closing of the Offering. Completion of the Private Placement is subject to a number of conditions set out in the Subscription Agreement. The subscription receipts to be issued pursuant to the Private Placement will not be qualified by the prospectus supplement to be filed by SNC-Lavalin in connection with the Offering.

The Private Placement Proceeds will be used to fund in part the cash consideration payable by SNC-Lavalin Bidco and will be made available to it by way of an inter-company loan.

#### CDPQ Loan Agreement

Under the CDPQ Loan Agreement, CDPQ RF will provide a seven year limited recourse non-revolving term loan in the maximum amount of C\$1.5 billion (the "**CDPQ Facility**") to SNC-Lavalin Highway Holdings. The CDPQ Facility will be used to fund in part the cash consideration payable by SNC-Lavalin Bidco and will be made available to it by way of an inter-company loan.

#### Term Loan Agreement

Under the Term Loan Agreement, the lenders will provide a £300 million unsecured term loan facility with staggered maturities (the "**Term Loan Facility**") to SNC-Lavalin. The Term Loan Facility will be used to fund in part the cash consideration payable by SNC-Lavalin Bidco and will be made available to it by way of an inter-company loan.

#### Syndicated Credit Facility

SNC-Lavalin will draw down approximately £350 million under its existing C\$4.25 billion Syndicated Credit Facility backstopped by a £400 million unsecured bridge credit facility with a syndicate of North



American banks (see Bridge Facility Agreement) to fund in part the cash consideration payable by SNC-Lavalin Bidco and such funds will be made available to it by way of an inter-company loan.

### **Bought Deal Bridge Loan Agreement**

A C\$800 million facility (the "**Bought Deal Bridge Facility**") is being made available to SNC-Lavalin by entering, on the date of this Announcement, into a bridge facility agreement with a syndicate of North American banks (the "**Bought Deal Bridge Facility Agreement**"). The Bought Deal Bridge Facility will be used to back-stop the portion of the cash consideration payable in connection with the Acquisition that is expected to come from the proceeds of the Offering.

The Bought Deal Bridge Facility is automatically cancelled where there are no drawings made under the Bought Deal Bridge Facility for a specified period, at the end of such period. If SNC-Lavalin draws down under the Bought Deal Bridge Facility, it must apply any proceeds from the Offering to prepay all amounts outstanding. In addition, any proceeds from any other equity and/or debt issues of SNC-Lavalin (other than from the Private Placement) must also be applied towards the Bought Deal Bridge Facility and the Private Placement Bridge Loan Facility, on a pro rata basis.

### **Private Placement Bridge Loan Agreement**

A C\$400 million facility (the "**Private Placement Bridge Loan Facility**") is being made available to SNC-Lavalin by entering, on the date of this Announcement, into a bridge facility agreement with CDPQ RF as lender (the "**Private Placement Bridge Loan Agreement**"). The Private Placement Bridge Loan Facility will be used to back-stop the portion of the cash consideration payable in connection with the Acquisition that is expected to come from the proceeds of the Private Placement Proceeds.

The Private Placement Bridge Loan Facility is automatically cancelled where there are no drawings made under the Private Placement Bridge Loan Facility for a specified period, at the end of such period. If SNC-Lavalin draws down under the Private Placement Bridge Loan Facility, it must apply any proceeds from the Private Placement to prepay all amounts outstanding under the Private Placement Bridge Loan Facility. In addition, any proceeds from any other equity and/or debt issues of SNC-Lavalin (other than from the Offering) must also be applied towards the Bought Deal Bridge Facility and the Private Placement Bridge Loan Facility, on a pro rata basis.

### **Bridge Facility Agreement**

A £400 million revolving bridge facility (the "**Bridge Facility**") is being made available to SNC-Lavalin by entering, on the date of this Announcement, into a bridge facility agreement with a syndicate of North American banks (the "**Bridge Facility Agreement**").

SNC-Lavalin is required to reserve a £400 million availability under its existing Syndicated Credit Facility ("**Sub-Limit**") during the Certain Funds Period, and if SNC-Lavalin makes any drawings under this Sub-Limit for the purpose of the Acquisition, then the Bridge Facility shall be cancelled, or in the case where drawings have already been made under the Bridge Facility, SNC-Lavalin must use the proceeds drawn from the Sub-Limit to prepay all outstanding amounts under the Bridge Facility.

If there are no drawings made under the Bridge Facility for a specified period, then the Bridge Facility shall be cancelled automatically.

All of the above elements of the Acquisition financing plan, including the limited recourse nature of the CDPQ Loan Agreement, have been structured with a view to preserving SNC-Lavalin's investment grade rating.

## Appendix 5

### Definitions

The following definitions apply throughout this Announcement unless the context requires otherwise.

"£", "GBP", "Sterling" or "pence"	the lawful currency of the UK
"Acquisition"	the direct or indirect acquisition of the entire issued and to be issued share capital of Atkins by SNC-Lavalin (other than Atkins Shares already held by SNC-Lavalin, if any) to be implemented by way of the Scheme or by way of the Offer
"ADR"	an American Depositary Receipt created pursuant to the deposit agreement between Atkins and JPMorgan Chase Bank N.A. dated June 2010 and trading on the over-the-counter market in the US
"Announcement"	this announcement made pursuant to Rule 2.7 of the Code
"Articles"	the articles of Atkins from time to time
"Atkins"	WS Atkins plc
"Atkins ADRs"	the ADRs each evidencing one Atkins Share
"Atkins Directors"	the directors of Atkins
"Atkins Group"	Atkins and its subsidiary undertakings
"Atkins Shares"	ordinary shares of 0.05 pence each in the capital of Atkins
"Atkins Shareholders"	the registered holders of Atkins Shares from time to time
"Atkins Share Plans"	the LTIP, DSP, LGU and SIP
"business day"	any day (excluding any Saturday or Sunday or any public holiday) on which banks in the City of London are generally open for business
"C\$", "Canadian Dollar" or "CAD"	the lawful currency of Canada
"Canada"	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof
"Canadian Holders"	holders of Atkins Shares ordinarily resident in Canada or with a registered address in Canada, and any custodian, nominee or trustee holding Atkins Shares for persons in Canada or with a registered address in Canada
"CDPQ"	Caisse de dépôt et placement du Québec
"CDPQ RF"	CDPQ Revenu Fixe Inc., a wholly-owned subsidiary of

CDPQ

"CDPQ Loan Agreement"	the loan agreement between CDPQ RF as lender and SNC-Lavalin Highway Holdings as borrower entered into on 20 April 2017
"Code"	the City Code on Takeovers and Mergers
"Combined Entity"	the SNC-Lavalin Group and the Atkins Group following completion of the Acquisition
"Companies Act"	the UK Companies Act 2006, as amended from time to time
"Conditions"	the conditions to the implementation of the Acquisition (including the Scheme) as set out in Appendix 1 to this Announcement and to be set out in the Scheme Document
"Confidentiality Agreement"	the confidentiality agreement entered into between SNC-Lavalin and Atkins dated 3 April 2017, a summary of which is set out in paragraph 13 of this Announcement
"Cooperation Agreement"	the agreement entered into between SNC-Lavalin, SNC-Lavalin Bidco and Atkins dated 20 April 2017, a summary of which is set out in paragraph 13 of this Announcement
"Court"	the High Court of Justice of England and Wales
"Court Meeting"	the meeting or meetings of the holders of Scheme Shares which are in issue at the Scheme Voting Record Time or of any class or classes thereof to be convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, to approve the Scheme (with or without amendment), and any adjournment thereof
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
"Daily Official List"	the daily official list of the London Stock Exchange
"Dealing Disclosure"	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
"Disclosed"	(a) information disclosed by, or on behalf of, Atkins:  (i) in Atkins' annual report and accounts for the year ended 31 March 2016 or in its half-yearly report for the six months ended 30 September 2016; or

	(ii) in this Announcement; or
(b) fairly disclosed:	
	(i) in writing prior to the date of this Announcement by or on behalf of Atkins to SNC-Lavalin (or its respective officers, employees, agents or advisers in their capacity as such); or
	(ii) in Management Meetings prior to the date of this Announcement between Atkins and SNC-Lavalin (or their respective officers, employees, agents or advisers in their capacity as such); or
(c) as otherwise publicly announced by Atkins prior to the date of this Announcement (by the delivery of an announcement to Regulatory Information Service)	
“DSP”	the Atkins Deferred Share Plan
“E&C”	Engineering and Construction
“Effective”	(a) if the Acquisition is implemented by way of the Scheme, means the Scheme having become effective pursuant to its terms; or  (b) if the Acquisition is implemented by way of an Offer, means the Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code
"Effective Date"	the date upon which the Acquisition becomes Effective
"Excluded Shares"	(i) any Atkins Shares beneficially owned by SNC-Lavalin or any other member of the SNC-Lavalin Group; or (ii) any Atkins Shares held in treasury by Atkins
"FCA"	the Financial Conduct Authority
"Forms of Proxy"	the form of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
"General Meeting"	the general meeting of Atkins Shareholders to be convened to consider and, if thought fit, to approve the Resolutions (with or without amendment) and any adjournment thereof
"IFRS"	International Financial Reporting Standards
“J.P. Morgan Cazenove”	J.P. Morgan Limited (which conducts its UK investment banking activities as J.P. Morgan Cazenove)
“Joint Defence Agreement”	the joint defence agreement entered into between SNC-Lavalin and Atkins dated 18 April 2017, a summary of which is set out in paragraph 13 of this Announcement

"LGU"	the WS Atkins plc Long-term Growth Unit Plan
"London Stock Exchange"	London Stock Exchange plc, together with any successor thereto
"LTIP"	the Atkins Long Term Incentive Plan and the Atkins plc Long Term Incentive Plan
"Management Meetings"	the meetings held between the management of SNC-Lavalin and Atkins on 6, 7, 10, 11, 12 and 21 April 2017
"Moelis & Company"	Moelis & Company UK LLP
"Numis"	Numis Securities Limited
"Offer"	if (subject to the consent of the Panel) SNC-Lavalin Bidco elects to effect the Acquisition by way of a takeover offer, the offer to be made by or on behalf of SNC-Lavalin Bidco to acquire the issued and to be issued ordinary share capital of Atkins on the terms and subject to the conditions set out in the related offer document
"Offer Price"	2,080 pence for each Scheme Share
"Panel"	the Panel on Takeovers and Mergers
"Possible Offer"	the possible offer for Atkins by SNC-Lavalin announced by Atkins on 3 April 2017
"PRA"	the Prudential Regulation Authority
"Private Placement"	a private placement pursuant to which CDPQ will purchase subscription receipts of SNC-Lavalin
"RBC"	RBC Europe Limited (trading as RBC Capital Markets)
"Registrar of Companies"	the Registrar of Companies in England and Wales
"Regulatory Authority"	any central bank, ministry, governmental, quasigovernmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction
"Regulatory Conditions"	the anti-trust and regulatory Conditions set out in paragraphs 2 to 4 (inclusive) of Part A of Appendix 1
"Regulatory Information Service"	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements

"Resolutions"	the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including a resolution to amend the Articles by the adoption and inclusion of a new article under which any Atkins Shares issued or transferred after the General Meeting shall either be subject to the Scheme or (after the Effective Date) shall be immediately transferred to SNC-Lavalin (or as it may direct) in exchange for the same consideration as is due under the Scheme
"Restricted Jurisdictions"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Atkins Shareholders in that jurisdiction
"Scheme"	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Atkins and the Scheme Shareholders, the terms of which are to be set out in the Scheme Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by WS and SNC-Lavalin
"Scheme Court Hearing"	the hearing of the Court to sanction the Scheme under Part 26 of the Companies Act
"Scheme Court Order"	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
"Scheme Document"	the document to be sent to (among others) Atkins Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme, the explanatory statement required by section 897 of the Companies Act and containing the notices convening the Court Meeting and General Meeting
"Scheme Record Time"	the time and date specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date
"Scheme Shareholders"	holders of Scheme Shares as appearing in the register of Atkins at the Scheme Record Time
"Scheme Shares"	<p>the existing Atkins Shares in issue as at the date of the Scheme Document;</p> <p>any Atkins Shares issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and</p> <p>any Atkins Shares issued on or after the Scheme Voting Record Time but before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,</p> <p>but in each case other than any Excluded Shares</p>

"Scheme Voting Record Time"	the time and date specified as such in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, which is expected to be 6.00 pm on the day which is two days before the date of the Court Meeting (or any adjournment thereof)
"SIP"	the Atkins Share Incentive Plan
"Substantial Interest"	a direct or indirect interest in 20 per cent. or more of the voting equity share capital of an undertaking
"SNC-Lavalin"	SNC-Lavalin Group Inc.
"SNC-Lavalin Bidco"	SNC-Lavalin (GB) Holdings Limited, a wholly-owned subsidiary of SNC-Lavalin incorporated in England and Wales
"SNC-Lavalin Group"	SNC-Lavalin, its subsidiaries and its subsidiary undertakings from time to time
"SNC-Lavalin Highway Holdings"	SNC-Lavalin Highway Holdings Inc.
"SNC-Lavalin LTIP"	SNC-Lavalin Long Term Incentive Plan
"Syndicated Credit Facility"	SNC-Lavalin's existing syndicated credit facility dated 5 August 2016, between, amongst others, SNC-Lavalin as borrower, Bank of Montreal as administrative agent, and each of the financial institutions referred to as lenders thereto
"Term Loan Agreement"	a new term loan agreement dated 20 April 2017 Bank of Montreal as Agent and as lender, HSBC Bank Canada, HSBC Bank USA, N.A. and Royal Bank of Canada as lenders and SNC-Lavalin as borrower
"treasury shares"	any Atkins Shares held by Atkins as treasury shares
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"UK Listing Authority"	the FCA acting in its capacity as the competent authority for listing under the Financial Services and Markets Act 2000;
"Underwriting Letter"	the underwriting letter entered into between SNC-Lavalin and certain underwriters on 20 April 2017 in relation to the Offering
"United States of America", "United States" or "US"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
"US Exchange Act"	the United States Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder (as amended)
"US Holders"	holders of Atkins Shares ordinarily resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding Atkins Shares for persons in

the US or with a registered address in the US

“Wider SNC-Lavalin Group”

SNC-Lavalin and its subsidiaries, subsidiary undertakings and associated undertakings, and any other undertaking (including any joint venture, partnership, firm or company) in which SNC-Lavalin and/or such undertakings (aggregating their interests) have a Substantial Interest

“Wider Atkins Group”

Atkins and its subsidiaries, subsidiary undertakings and associated undertakings and any other undertaking (including any joint venture, partnership, firm or company) in which Atkins and/or such undertakings (aggregating their interests) have a Substantial Interest

For the purposes of this Announcement, "subsidiary", "subsidiary undertaking", "undertaking", "associated undertaking" and "equity share capital" have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this Announcement. All references to time in this Announcement are to London time unless otherwise stated.

A reference to "includes" shall mean "includes without limitation", and references to "including" and any other similar term shall be construed accordingly.