

Investor Presentation

FIRST QUARTER 2021 | AECON GROUP INC. (TSX: ARE)

AECON



Forward-Looking Information

The information in this presentation includes certain forward-looking statements. Although these forward-looking statements are based on currently available competitive, financial and economic data and operating plans, they are subject to risks and uncertainties. In addition to events beyond Aecon's control, there are factors which could cause actual or future results, performance or achievements to differ materially from those expressed or inferred herein including risks associated with an investment in the common shares of Aecon and the risks related to Aecon's business. Such factors include but are not limited to: the timing of projects, unanticipated costs and expenses, the ability to recognize and adequately respond to climate change concerns or public and governmental expectations on climate matters, Aecon's assessment of the risks and opportunities related to its industry's transition to a lower-carbon economy, Aecon's expectations regarding legal proceedings to which Aecon is a party, general market and industry conditions and operational and reputational risks, including large project risk and contractual factors and risks relating to the COVID 19 pandemic.

Risk factors are discussed in greater detail in Section 13 – “Risk Factors” in the 2020 Annual MD&A dated February 25, 2021 and in the Annual Information Form filed on February 26, 2021, both of which are available on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com. Other important factors, in addition to those discussed in this document, could affect the future results of Aecon and could cause its results to differ materially from those expressed in any forward-looking statements.

Forward-looking statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, ongoing objectives, strategies and outlook for Aecon. Forward-looking statements may in some cases be identified by words such as “will”, “plans”, “believes”, “expects”, “anticipates”, “estimates”, “projects”, “intends”, “should” or the negative of these terms, or similar expressions. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aecon undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Non-GAAP and Supplementary Financial Measures

The presentation contains certain non-GAAP and supplementary financial measures, as well as non-GAAP ratios to assist readers in understanding the Company's performance (GAAP refers to Canadian Generally Accepted Accounting Principles). These measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Management uses these non-GAAP and supplementary financial measures, as well as certain non-GAAP ratios to analyze and evaluate operating performance. Aecon also believes the financial measures defined below are commonly used by the investment community for valuation purposes, and are useful complementary measures of profitability, and provide metrics useful in the construction industry.

Throughout this presentation, the following terms are used, which are not found in the Chartered Professional Accountants of Canada Handbook and do not have a standardized meaning under GAAP: “Adjusted EBITDA”, “Equity Project EBITDA”, “Backlog”, “Adjusted EBITDA margin”, “Gross Profit Margin”.

Refer to Section 4 “Non-GAAP and Supplementary Financial Measures” in the Company's Q1 2021 Management's Discussion and Analysis (“MD&A”) available through SEDAR at www.sedar.com for the definitions of non-GAAP and supplementary financial measures as well as non-GAAP ratios used in this presentation.

Refer to Section 9 “Quarterly Financial Data” in the Company's Q1 2021 MD&A for a quantitative reconciliation of the above-mentioned measures to the most comparable financial measures presented in the primary financial statements of the Company.

Why Invest in Aecon?

THE #1 CANADIAN INFRASTRUCTURE COMPANY



Unprecedented Demand

\$5.9B

BACKLOG[@]

\$40B+

ACTIVE BID PIPELINE

- Record level of infrastructure investment underway across Aecon's focus areas
- Government investment in infrastructure is a key source of economic stimulus as part of COVID-19 recovery plans
- Strong private sector, multi-year capital programs
- Positive population and immigration dynamics driving long-term, sustainable demand
- Partner of choice for international and domestic players
- Strong track record of growth and margin improvement



Diversified & Resilient Business Model

\$3.7B

TOTAL REVENUE^{*}

\$267M

CONSTRUCTION EBITDA^{*+@}

\$37M

CONCESSIONS EBITDA^{*+@}

- Diversified by geography, sector, contract size and type in Construction segment
- Over 900 discrete projects typically underway with average project size <\$25 million
- Valuable and growing Concessions portfolio
- Solid recurring revenue base adds further stability and growth opportunity to business mix
- ~36% of TTM revenue from unit price/cost plus contracts
- Well positioned in growth markets linked to sustainability
- Financial position, liquidity and capital resources remain strong to support growth and reduce risk



Sustainable Shareholder Value Creation

13%

10 YEAR DIVIDEND CAGR[^]

23%

5 YEAR EPS CAGR[#]

25%

5 YEAR TOTAL SHAREHOLDER RETURN[&]

- Disciplined, balanced and diverse capital allocation program and strategy
- History of consistent dividend increases
- Growth in Concessions portfolio provides future value creation options
- Focused on sustainability with a 30% GHG reduction target by 2030 and a net zero target by 2050
- Over 50% of 2020 revenue tied to sustainability projects[~]
- Current valuation multiple provides attractive upside potential

^{*} Q1 2021 Trailing Twelve Months ("TTM")

⁺ Before corporate costs and eliminations

[^] Compound Annual Growth Rate ("CAGR") of annual dividend from 2012 to 2021

[#] CAGR of full year Diluted EPS from 2015 to 2020

[&] December 31, 2015 to December 31, 2020

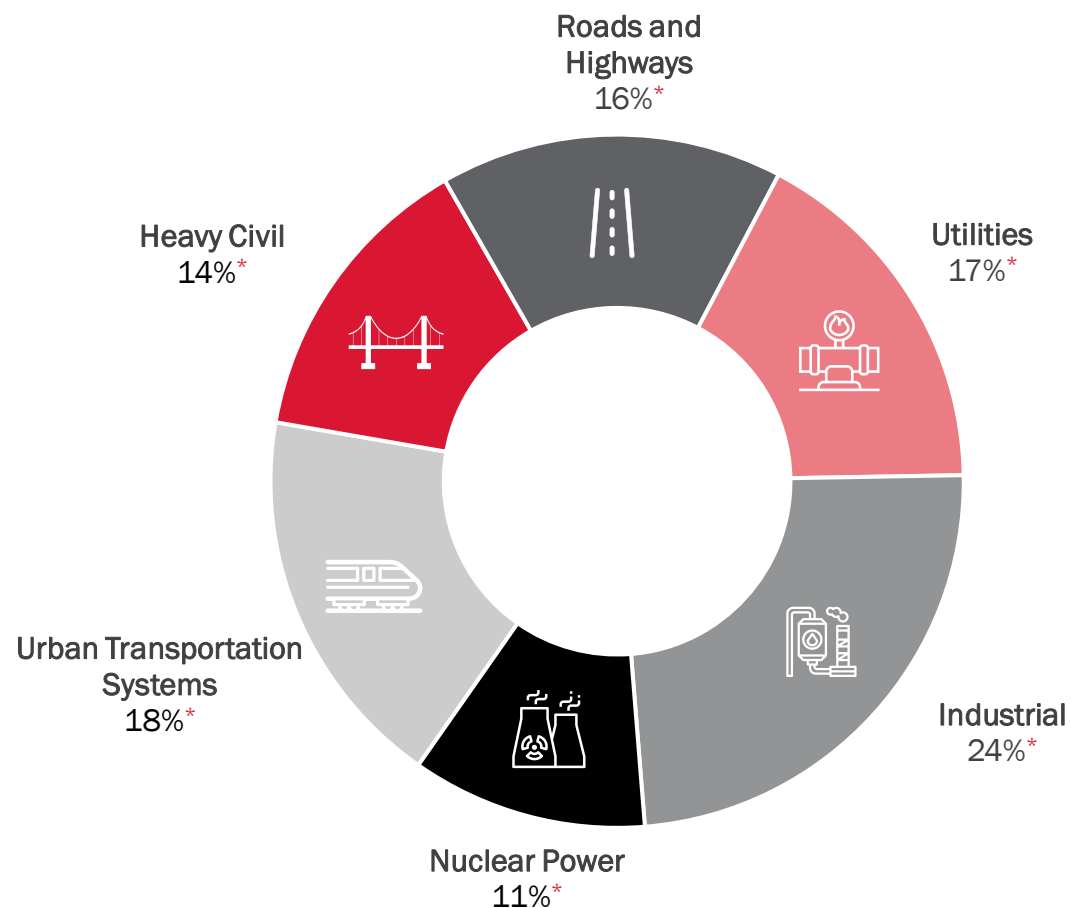
[@] This is a non-GAAP financial measure. Refer to Section 4 "Non-GAAP And Supplementary Financial Measures" in the Company's Q1 2021 MD&A.

[~] Sustainability projects help to preserve and protect the environment, but also help to preserve the ability of society to sustain itself. Including but not limited to, projects that: reduce emissions, support the transition to a net-zero economy, support clean water use and conservation and reduce/recycle waste.

Diverse & Resilient Business Model

Construction

Q1 2021 TTM Revenue \$3,623 M⁺
Q1 2021 TTM EBITDA \$267 M^{+@}



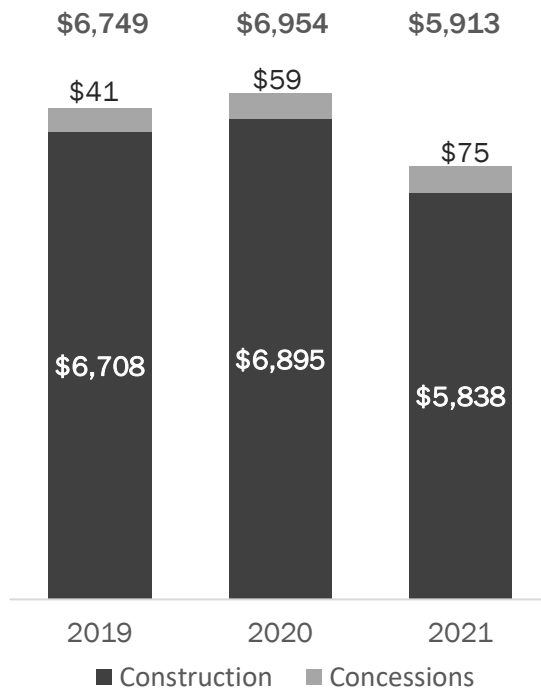
Concessions

Q1 2020 TTM Revenue \$82 M⁺
Q1 2021 TTM EBITDA \$37 M^{+@}

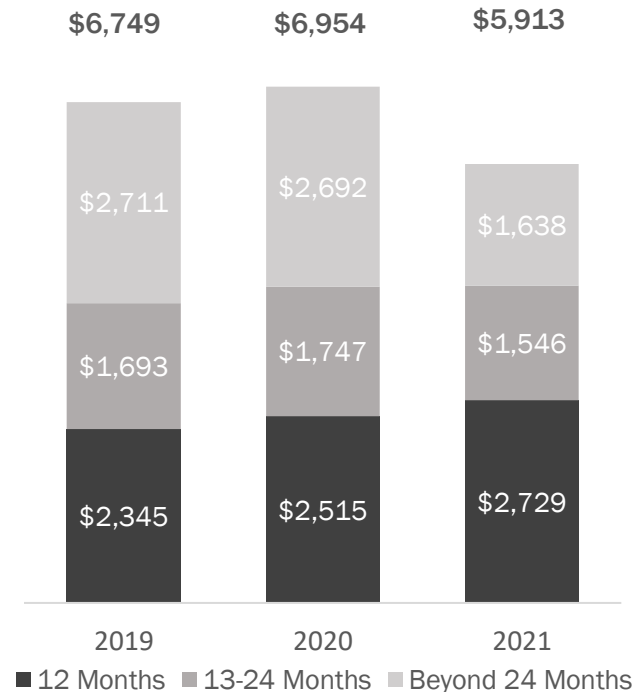
	BERMUDA AIRPORT	100%[^]
	FINCH WEST LRT	33%[^]
	EGLINTON LRT	25%[^]
	GORDIE HOWE INTERNATIONAL BRIDGE	20%[^]
	WATERLOO LRT	10%[^]

Strong Backlog & Recurring Revenue Profile

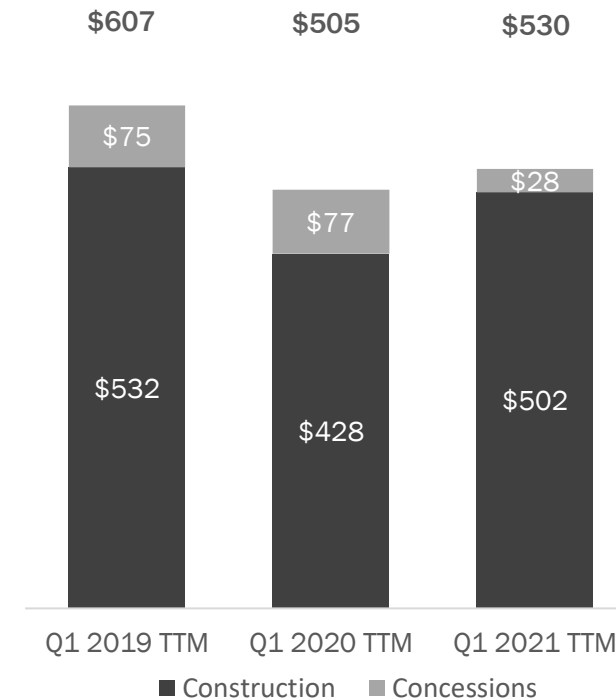
Total Backlog^{*@} (\$M) As at March 31



Backlog Duration^{*} (\$M) As at March 31



Recurring Revenue^{*^} (\$M)



66% Fixed Price

34% Cost Plus/Unit Price

Backlog Contract Type As at March 31, 2021

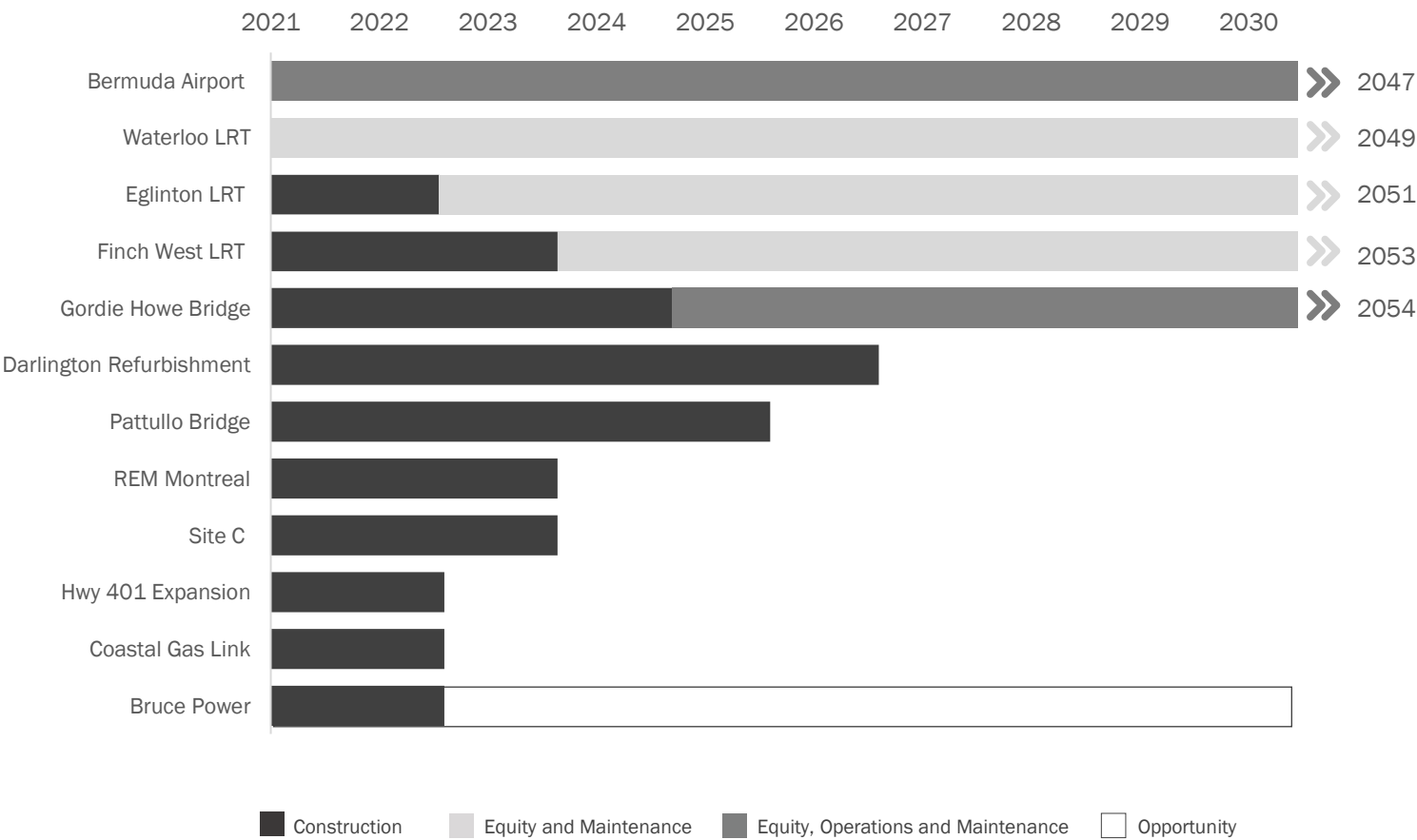
64% Fixed Price

36% Cost Plus/Unit Price

2021 Q1 TTM Revenue⁺

Major Projects & Concessions Provide Stability

Project Timeline (Starting from 2021)



P3 Concessions*

Bermuda Airport

US\$274 million; construction started 2017 and completed 2020; 100% equity stake and 30 year concession began in 2017

Waterloo LRT

\$583 million; construction started 2014 and completed 2019; 10% equity stake and 30 year concession began in 2019

Eglinton LRT

\$5.3 billion; construction started 2015 and target completion under discussion; 25% equity stake and 30 year concession post construction

Finch West LRT

\$2.5 billion; construction started 2018 and target completion 2023; 33% equity stake and 30 year concession post construction

Gordie Howe Bridge

\$5.7 billion; construction started 2018 and target completion 2024; 20% equity stake and 30 year concession post construction

Other Major Projects*

Darlington Nuclear Refurbishment

\$2.75 billion; 10 year project started 2016

Pattullo Bridge Replacement

\$968 million; 5 year project started 2020

REM LRT Montreal

\$6.5 billion; 5 year project started 2018

Site C Generating Station & Spillways Hydro Project

\$1.6 billion; 5 year project started 2018

HWY 401 Expansion

\$640 million; 3 year project started 2019

Coastal Gas Link Pipeline

\$526 million; 3 year project started 2019

Bruce Power Nuclear Refurbishment

\$475 million; 2 year project started 2020; the first of six units for fuel channel and feeder replacement. Aecon consortium has a Preferred Supplier Agreement with Bruce Power for subsequent five units; 10-12 year total project duration; Aecon JV was also awarded first of six steam generator unit replacements in December 2017

Unparalleled Demand Aligned with Aecon's Strengths[^]

Federal Infrastructure Programs

\$180B | Invest in Canada Plan[#]

12-year Federal investment plan 2016 to 2028
\$15B for public transit projects between 2021 and 2028 with \$6B available from 2021 and \$3B per year in 2026, 2027 and 2028
\$2.75B investment in Universal Broadband Fund over six years
\$2.2B one-time investment in roads, bridges, water and wastewater plants in municipalities and First Nations communities
\$8B investment in the Net Zero Accelerator over seven years

\$15B | Invest in Climate Action^{*}

\$35B | Canada Infrastructure Bank

\$10B investments between 2020 and 2023 announced in October 2020 including i) \$1.5B for Zero Emission Buses ii) \$2.5B for Clean Power iii) \$2B for Broadband iv) \$1.5B for Agriculture infrastructure and v) \$500M for project acceleration to expedite due diligence and early works construction
\$1.7B for Lake Erie Connector underwater transmission project between Ontario and Pennsylvania

\$7.6B | BC Budget

Transportation investment over 3 years from 2021 and \$147M for broadband

\$6B | Alberta Budget

Transportation and public transit investment over 3 years from 2020 plus investment in Edmonton and Calgary LRTs; \$1.3B accelerated capital maintenance and renewal budget for 2021; \$221M funding for municipalities for transportation and water

\$101B | Quebec Budget

Investment in road and transit infrastructure over 10 years from 2021 including \$49B investment in road network

\$86B | Ontario Budget

Transit and Transportation investment over 10 years from 2020, including \$21B in road and highways and \$62B in transit.
\$2.8B additional investment for broadband infrastructure

\$0.5B | Manitoba Budget

Transportation investment in 2021

\$0.6B | Saskatchewan Budget

Transportation investment in 2021



Strong Public and Private End Market Demand

Diversified series of pursuits by sector and geography | Opportunities strongly correlate with Aecon's experience, expertise and sustainability goals

\$40+ Billion*

IN MAJOR PROJECT PURSUITS

Quebec City Tramway	P3	QC
Laurentia Project – Port of Quebec Deep-Water Wharf		QC
VIA Rail Maintenance Facilities Modernization (Montreal)		QC
REM Airport Station – Montréal Trudeau		QC
Metrolinx Regional Express Rail (RER) Program	P3	ON
Ontario Line Subway (Civil, Rolling Stock and O&M)	P3	ON
VIA Rail Maintenance Facilities Modernization (Toronto)		ON
Winnipeg North End Wastewater Treatment Plant Upgrade		MB
Calgary Green Line LRT		AB
Annacis Water Supply Tunnel		BC
I-90/SR 18 Interchange to Deep Creek		WA

* Total project size, not necessarily Aecon's share, as most major projects bid with partners.

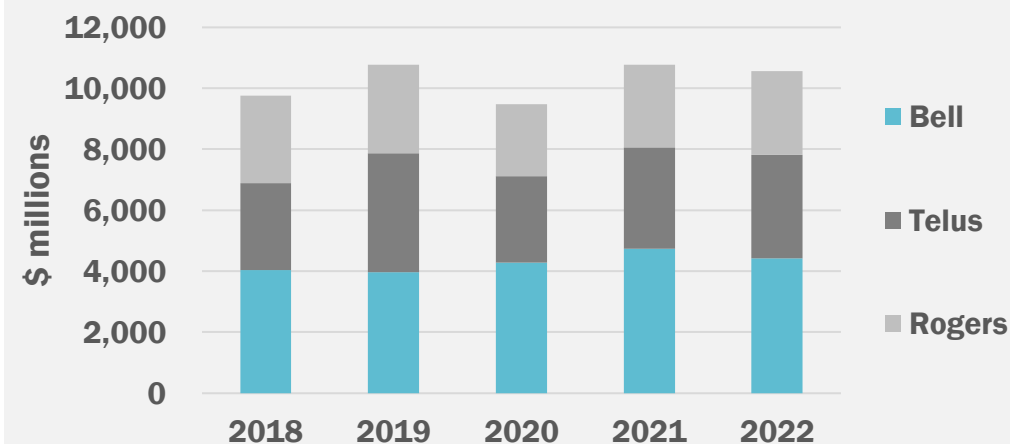
^ Source: Factset and Company reports

& Companies include: Fortis Inc., Emera Inc., Hydro One Ltd., Canadian Utilities Ltd., Enbridge Gas. Excludes nuclear power.

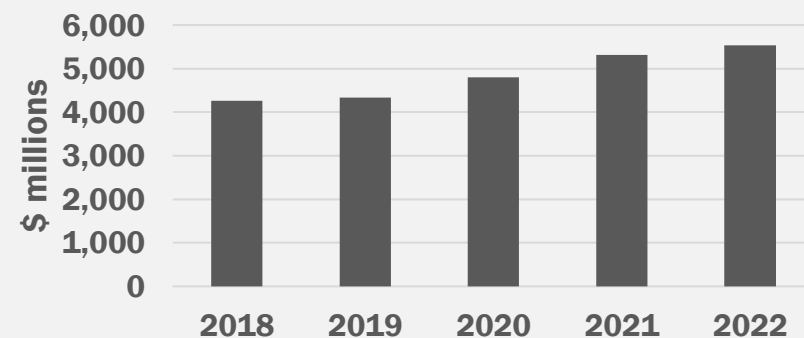
Strong Multi-Year Capital Programs^

PRIVATE SECTOR DEMAND

Canadian Telecom Capex Programs



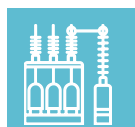
Canadian Gas & Power Utilities Capex&^



Well Positioned to Capture Emerging Growth in Key Sectors

Utilities and Industrial

- Extensive capabilities in various stages of the value chain levered towards building the resilient, low carbon and connected infrastructure of tomorrow
- Nationwide presence and long-term relationships with key clients in areas of telecommunications, gas and electric utilities, alternative energy and industrials
- Opportunity to lead in sustainability and technological advancements



Grid Modernization/Hardening



Geothermal & District Energy



Fibre and Broadband



Telecom Infrastructure & 5G



Electricity Distribution/
Transit Electrification



Water Distribution &
Management



Hydrogen & Renewable
Natural Gas



Carbon Capture and Storage

Nuclear

- Current multi-year programs with OPG and Bruce Power
- Future opportunities in small modular reactors and waste management
- US growth from current niche platform



Nuclear Waste Management



Refurbishment &
Decommissioning



Maintenance &
Fabrication Services



Small Modular Reactors

Valuable Concessions Portfolio



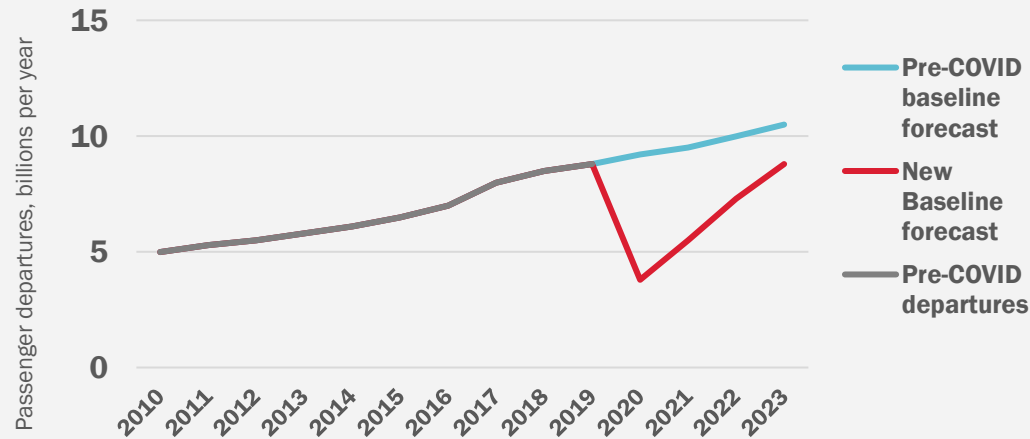
Bermuda L.F. Wade International Airport

100% equity ownership and concession

New terminal opened on December 9, 2020

30 year operations and maintenance concession to 2047

Global Air Passenger Departure Forecast[^]



Bermuda and key US and UK source markets' vaccination timelines are ahead of the global average



State-of-the-art airport allows for best-in-class health protocols and US pre-clearance for safe and predictable travel experience



More stable domestic and corporate travel base with less than 50% of traffic linked to tourism specifically



2021 DFNI Americas Award for the Most Supportive Approach to Retail for Skyport



Canadian LRTs

- 30 year maintenance concessions on Eglinton, Finch and Waterloo LRTs
- Availability-based payments with no revenue risk from provincial transit counterparties
- Proven team currently bidding on Canadian transit projects in procurement



Gordie Howe International Bridge

- 30 year operations and maintenance concession
- Availability-based payments with no revenue risk from Canadian Federal Government
- **P3 Bulletin GOLD award** for 2020 ESG Performance of the Year

Concessions Leadership in Infrastructure Development

- ✓ Proven capability to develop, construct, finance and operate diverse infrastructure concessions in Canada and internationally
- ✓ Solutions-based, partner of choice to international construction firms, governments and financial institutions
- ✓ Leader in technology and systems integration in transit, tolling, airport infrastructure and innovative financing models
- ✓ Provides for stable, long-term cash flow opportunity with flexibility to monetize interests for future development projects
- ✓ Opportunity to build on expertise to target innovative development and concession opportunities in industrial, power, cleantech, and other related markets



Q1 2021 Financial Results

\$ Millions
(except per share amounts)

	Three Months Ended March 31			Trailing Twelve Months Ended March 31		
	2021	2020	Change ⁺	2021	2020	Change ⁺
Revenue	754	748	▲ 1%	3,650	3,558	▲ 3%
Gross Profit	57.3	61.2	▼ 6%	397.4	382.0	▲ 4%
Gross Margin % ^{&}	7.6%	8.2%	▼ 60 bps	10.9%	10.7%	▲ 20 bps
Adjusted EBITDA [@]	20.8	19.2	▲ 8%	266.1	229.2	▲ 16%
Adjusted EBITDA Margin % [*]	2.8%	2.6%	▲ 20 bps	7.3%	6.4%	▲ 90 bps
Operating Profit (Loss)	(10.2)	(9.7)	▼ 5%	149.4	108.4	▲ 38%
Profit (Loss)	(18.4)	(11.4)	▼ 61%	81.0	71.3	▲ 14%
Earnings (Loss) per share – diluted	(\$0.31)	(\$0.19)	▼ 63%	\$1.20	\$1.09	▲ 10%
New Awards	213	912	▼ 77%	2,609	3,763	▼ 31%
Backlog [@]	5,913	6,954	▼ 15%	5,913	6,954	▼ 15%

⁺ bps = basis point

[@] This is a non-GAAP financial measure. Refer to Section 4 “Non-GAAP And Supplementary Financial Measures” in the Company’s Q1 2021 MD&A.

^{*} This is a non-GAAP financial ratio. Refer to Section 4 “Non-GAAP And Supplementary Financial Measures” in the Company’s Q1 2021 MD&A.

[&] This is a supplementary financial measure. Refer to Section 4 “Non-GAAP And Supplementary Financial Measures” in the Company’s Q1 2021 MD&A.

Strong Financial Position, Liquidity and Capital Resources

Balance Sheet (\$M)	
	March 31, 2021
Core Cash	31.5
Cash in Joint Operations	551.2
Total Cash[^]	582.7
Net Working Capital [♦]	(5.2)
Long-Term Debt [⊘]	
- Finance Leases	155.3
- Equipment & Other Asset Loans	34.3
LT Debt excluding Convertible Debentures [^]	189.6
Convertible Debentures (Face Value) due Dec. 2023 (5.0%)	184.0
Total LT Debt plus Convertible Debentures[^]	373.6
LT Debt to Q1 2021 TTM Adjusted EBITDA ^{&^⊘}	
- Excluding Convertible Debentures	0.7 x
- Including Convertible Debentures	1.4 x
Net Debt to Q1 2021 TTM Adjusted EBITDA ⁺	1.3 x

Free Cash Flow (\$M)		
	Q1 2021 TTM	2020 Y/E
Adjusted EBITDA[⊘]	266.1	264.5
Cash Interest Expense (net)	(42.4)	(41.9)
Capital Expenditures (net)	(26.4)	(34.6)
Income Taxes Paid	(55.0)	(20.4)
Free Cash Flow Before W/C and net JV Impact	142.3	167.6
Change in Working Capital	81.3	80.5
Net JV Impact [*]	(46.1)	(43.9)
FREE CASH FLOW^{~#}	177.5	204.2

- Financial position, liquidity and capital resources are expected to be sufficient to finance operations and working capital requirements for the foreseeable future
- \$1.5 billion total committed credit facilities for working capital and letter of credit requirements
- No debt or working capital credit facility maturities until the second half of 2023, except equipment loans and leases in the normal course

[^] Excludes restricted cash associated with Bermuda Airport Project

[⊘] Excludes non-recourse project debt associated with Bermuda Airport Project

⁺ Net debt calculated as long-term debt (including convertible debentures) less core cash

[&] Calculations based on face value of convertible debentures

[♦] Net Working Capital is a Capital Management measure that management uses to analyze and evaluate Aecon's liquidity and its ability to generate cash to meet its short-term financial obligations. Management also believes this measure is commonly used by the investment community for valuation purposes. Refer to page 22 in this presentation for the composition of Net Working Capital and a quantitative reconciliation to the most comparable financial measure.

^{*} Net JV Impact represents the difference between Equity Project EBITDA included in Adjusted EBITDA (Equity Project EBITDA as defined in Aecon's Q1 2021 MD&A) and distributions from projects accounted for using the equity method.

[~] Excludes \$30 million purchase of Voltage Power in February 2020 and final \$12 million proceeds from sale of Contract Mining business in May 2020

[#] Free Cash Flow is a Capital Management measure that management uses to analyze and evaluate the cash generated after taking into consideration cash outflows that support its operations and maintain its capital assets. Management also believes this measure is commonly used by the investment community for valuation purposes. Refer to page 22 in this presentation for a quantitative reconciliation to the most comparable financial measure.

[⊘] This is a non-GAAP financial measure. Refer to Section 4 "Non-GAAP And Supplementary Financial Measures" in the Company's Q1 2021 MD&A.

Diverse Capital Allocation Program

Focus on **Profitable Growth** and **Risk Management** to drive **Shareholder Returns**



Profitable Growth

- Support capital expenditures and investments in new projects, technology and equipment
- Investment in value creating Concessions portfolio
- Tuck-in acquisitions to expand capabilities and geographic end markets



Preserve Financial Strength

- Strong and liquid balance sheet to support pursuit and execution of major projects and concessions
- Lead joint ventures, attract the right partners and achieve desired project credit ratings
- Demonstrate resiliency and capacity to absorb working capital and risk management requirements



Profitable Growth

- Dividends have increased 9 of the last 10 years with 13% CAGR^{*}
- Diluted Earnings per Share has grown at 23% CAGR over the last 5 years[#]
- 5 year Total Shareholder Return of 25%[@]

Balanced and Diversified Capital Allocation



Capital Expenditures & Investments[&]

\$472 million over the last 5 years⁺



Dividends

\$160 million over the last 5 years⁺



M&A >\$40 million over the last three years for five strategic, tuck-in acquisitions



NCIB

>\$23 million between November 2019 and March 2020


Outlook

- Aecon's overall outlook for 2021 remains positive despite the ongoing background of COVID-19. Backlog, recurring revenue programs, and the pipeline of bidding opportunities for new work, remain at strong levels.
- The Company expects that demand for its services will remain healthy for the foreseeable future as the federal government and provincial governments across Canada have identified investment in infrastructure as a key source of stimulus as part of economic recovery plans.
- An Aecon consortium has been named as first negotiations proponent for the Eglinton Crosstown West Extension Advance Tunnel project in Toronto, which is expected to be awarded in the second quarter of 2021 upon closing of related project financing, and Aecon is also pre-qualified on a number of large project bids due to be awarded during 2021 and 2022.
- Recurring revenue in the utilities sector in particular is expected to grow based on the capital investment plans of a number of key clients, particularly in telecommunications and power-related work.
- Despite this overall positive outlook, the COVID-19 pandemic is expected to continue to have some impact in moderating overall revenue and profitability growth expectations in 2021, either due to client decisions related to schedules or operating policies or due to broader government directives to modify work practices to meet relevant health and safety standards.
- In addition, certain projects that were expected to be available to Aecon to bid on to secure new revenue have been delayed. A small number of construction projects have been impacted by cases of COVID-19 as infections in the community have increased across Canada, which has resulted in an increase in the number of employees quarantining and self-isolating as a precautionary measure.
- While the primary impact from COVID-19 in Canada will be to reduce revenue in certain areas of Aecon's Construction segment until normal operations fully resume, there is no guarantee that all related costs will be recovered and therefore it is possible that future project margins could be impacted as well.
- In the Concessions segment, commercial operations at the Bermuda International Airport continue to be challenged by COVID-19 related travel restrictions, which have significantly impacted the aviation industry. The aviation industry is not expected to improve meaningfully until significant portions of the global population have been vaccinated and existing travel restrictions are lifted.
- Construction continues on a number of projects that ramped up in 2019 and 2020, the level of backlog and new awards during 2020, and the strong demand environment for Aecon's services, including recurring revenue programs, all subject to the unknown impacts of COVID-19 going forward.

Building Better Together

We actively manage and improve our own environmental, social and governance performance & identify opportunities in sustainability that drive growth for the business

Principles

Environmental Leadership	Social Contribution	Responsible Governance
We are a catalyst to achieving the sustainability goals of our clients and minimizing our own environmental impact	We are proud of our dynamic, diverse & inclusive workforce and our contributions to, and partnerships with, the communities in which we live and work	A strong governance structure ensures transparency, stewardship and accountability at Aeon
<p>Track and disclose our carbon footprint to measure progress against our targets</p> <p>Develop Innovations to help our clients build resilient infrastructure in more sustainable and cost-effective ways</p>	<p>Safety First Culture is our #1 core value</p> <p>Commitment to diversity, inclusion and protection of human rights</p> <p>Support for our people and our communities navigating through the challenges of the global COVID-19 pandemic</p>	<p>Code of Ethics and Business Conduct & Anti-Corruption Policies and Protocols in place</p> <p>Reporting Standards and Guidance</p> <div>     </div>

Key Focus Areas

Sustainability Achievements & Focus Areas

Environmental Leadership	Social Contribution	Responsible Governance
<p>First construction company in Canada to set a GHG target</p> <p>2030 30% reduction in Direct CO₂ Emissions</p> <p>2050 Net-Zero for Direct and Indirect CO₂ Emissions</p> <p>Exploring low carbon options for vehicles and construction equipment</p>	<p>200 Best Employers in Canada Kincentric 2020</p> <p>Canada's Best Places to Work Glass Door 2020</p> <p>Partnerships to jointly achieve goals</p> <ul style="list-style-type: none"> Aecon Women In Trades (AWIT) Joint Ventures with 2 First Nations in Alberta & 1 in Ontario 	<p>Release of 2020 Sustainability Report</p> <p>Commitment to UN Sustainable Development Goals</p> <div>     </div>

Aecon's 2020 Sustainability Report can be found at aecon.com/our-company/sustainability



APPENDIX

Adjusted EBITDA Contribution by Segment

Adjusted EBITDA (\$ Millions)[@]

	Q1 2021	Q1 2020	% CHANGE
Construction	22.1	16.5	▲ 34%
Concessions	9.6	14.3	▼ 33%
TOTAL[^]	20.8	19.2	▲ 8%

	Q1 2021 TTM	Q1 2020 TTM	% CHANGE
Construction	267.3	194.6	▲ 37%
Concessions	37.3	82.5	▼ 55%
TOTAL[^]	266.1	229.2	▲ 16%

Adjusted EBITDA Margin %^{*}

	Q1 2021	Q1 2020	BPS CHANGE
Construction	3.0%	2.2%	▲ 80
Concessions	84.2%	52.8%	nmf [#]
TOTAL[^]	2.8%	2.6%	▲ 20

	Q1 2021 TTM	Q1 2020 TTM	BPS CHANGE
Construction	7.4%	5.6%	▲ 180
Concessions	45.3%	44.0%	nmf [#]
TOTAL[^]	7.3%	6.4%	▲ 90

[^] After corporate costs and eliminations

[#] Not Meaningful

[@] This is a non-GAAP financial measure. Refer to Section 4 "Non-GAAP And Supplementary Financial Measures" in the Company's Q1 2021 MD&A.

^{*} This is a non-GAAP financial ratio. Refer to Section 4 "Non-GAAP And Supplementary Financial Measures" in the Company's Q1 2021 MD&A.

Construction Q1 2021 Results

Revenue up by \$9M, or 1%, quarter-over-quarter

- ▲ \$42M in Nuclear operations driven by higher volume of refurbishment work in Ontario
- ▲ \$9M in Utilities operations from increased volume of gas distribution and telecommunication work
- ▼ \$34M in Civil operations and Urban Transportation Systems driven primarily by a decrease in roadbuilding construction work
- ▼ \$8M in Industrial operations largely due to decreased activity on mainline pipeline work in western Canada

Adjusted EBITDA[®] up by \$5M, or 29%, quarter-over-quarter

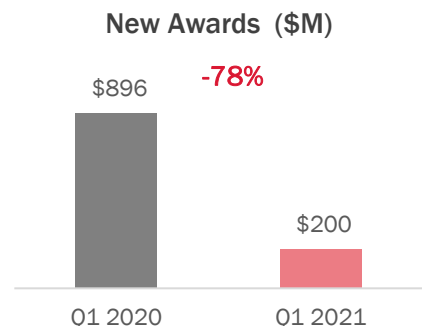
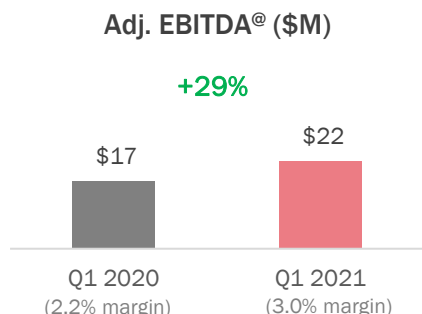
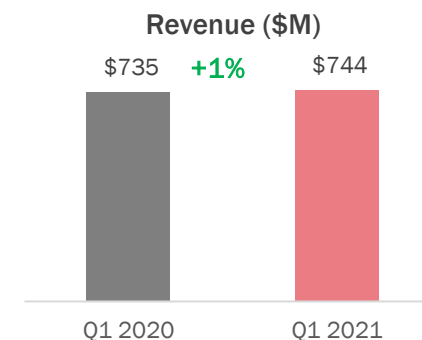
- ▲ Higher volume and gross profit margin in Utilities operations
- ▲ Higher volume in Nuclear operations
- ▲ Higher profit in Civil operations and Urban Transportation Systems
- ▼ Lower volume and gross profit margin in Industrial operations

New awards lower by \$696M, or 78%, quarter-over-quarter

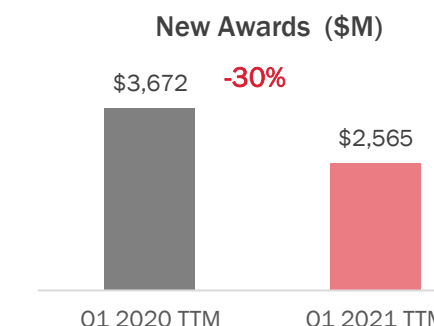
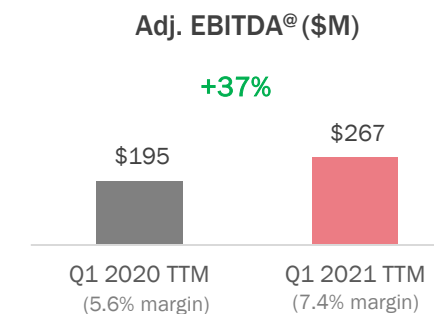
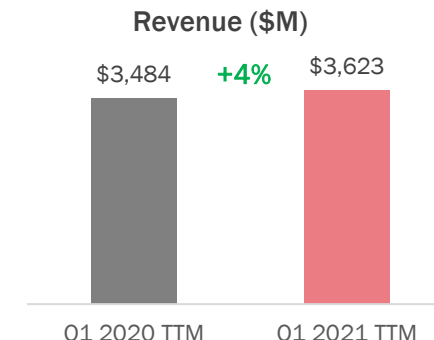
- ▼ Lower awards in 2021 in Civil operations due to the award in the first quarter of 2020 for the Pattullo Bridge Replacement Project (\$465M) in British Columbia

In Q1 2021, named preferred proponent on Eglinton Crosstown West Extension (ECWE) Advance Tunnel project and expect to add to new awards/backlog in Q2 upon financial close

Q1 2021^{*}



Q1 2021 TTM^{*}



Concessions Q1 2021 Results

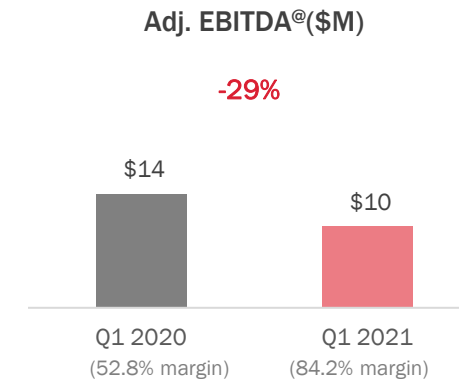
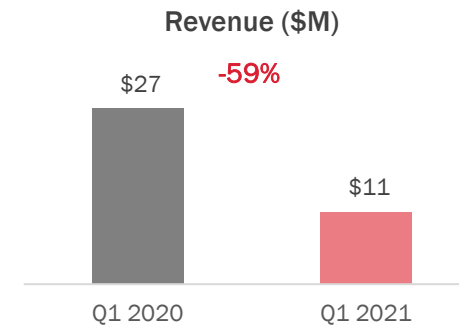
Revenue down by \$16M, or 59%, quarter-over-quarter

Primarily due to decreased construction activity related to the Bermuda International Airport Redevelopment Project and a decrease in the volume of commercial flight operations compared to the same period last year for reasons related to the COVID-19 pandemic.

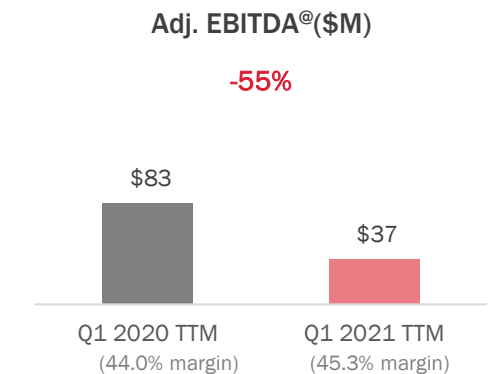
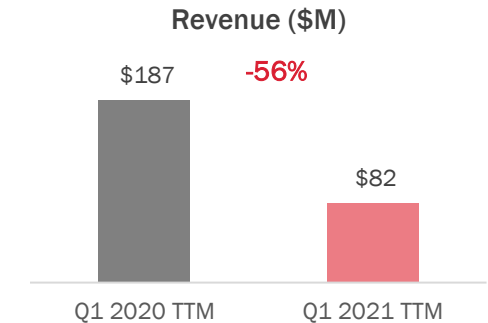
Adjusted EBITDA[®] down by \$4M, or 29%, quarter-over-quarter

Primarily related to the Bermuda International Airport Redevelopment Project and the above noted COVID-19 impact on airport operations

Q1 2021^{*}



Q1 2021 TTM^{*}



Non-GAAP Measures Quantitative Reconciliation

Net Working Capital Reconciliation (\$M)	
	March 31, 2021
Trade and Other Receivables	722.0
Unbilled Revenue	573.6
Inventories	22.0
Prepaid Expenses	62.8
Less	
Trade and Other Payables	851.8
Provisions	23.2
Deferred Revenue	510.6
Net Working Capital	(5.2)

Equity Project EBITDA Reconciliation (\$M)		
	Q1 2021	2020
	<u>TTM</u>	<u>Y/E</u>
Operating profit of projects accounted for using the equity method	47.5	45.2
Depreciation and amortization of projects accounted for using the equity method	0.8	0.8
Equity Project EBITDA	48.3	46.0

Free Cash Flow Reconciliation (\$M) [*]		
	Q1 2021	2020
	<u>TTM</u>	<u>Y/E</u>
Profit Before Income Taxes	118.1	124.0
Finance cost	31.8	26.9
Finance income	(0.6)	(1.1)
Operating Profit	149.4	149.9
Depreciation and amortization	91.7	91.7
Loss on sale of assets	(9.4)	(8.8)
Income from projects accounted for using the equity method	(13.9)	(14.2)
Equity Project EBITDA [®]	48.3	46.0
Adjusted EBITDA[®]	266.1	264.5
Cash interest paid	(43.2)	(43.6)
Cash interest received	0.8	1.6
Purchase of property, plant and equipment	(29.0)	(37.7)
Proceeds on sale of property, plant and equipment	6.0	6.3
Increase in intangible assets	(3.3)	(3.2)
Income taxes paid	(55.0)	(20.4)
Free Cash Flow before Working Capital and net JV Impact	142.3	167.6
Change in other balances related to operations	81.3	80.5
Equity Project EBITDA [®]	(48.3)	(46.0)
Distributions from projects accounted for using the equity method	2.2	2.0
FREE CASH FLOW	177.5	204.2

Capital Markets Overview

ARE.TSX Statistics

\$19.39

Price as of April 21, 2021

3.6%

Dividend Yield

60.3 Million

Shares Outstanding

~\$1.2 Billion

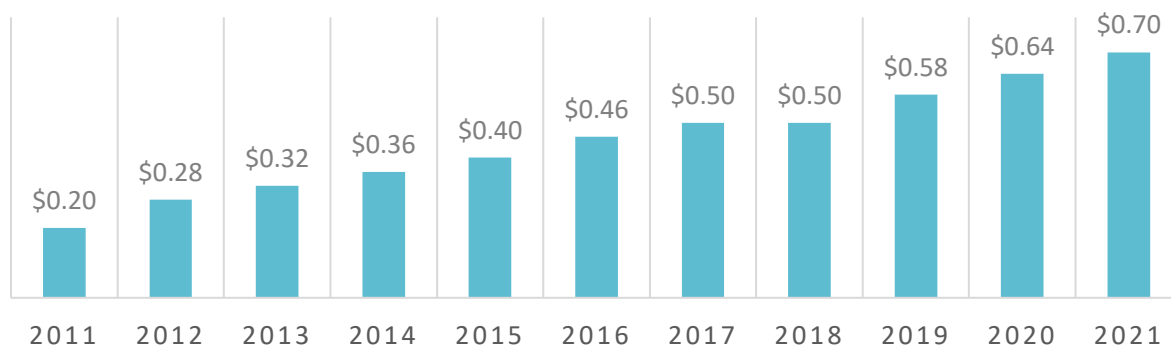
Market Capitalization

0.4 Million (\$8.0 Million)

Avg. Daily Share Volume
(3 months – TSX & ATS)

\$13.15 / \$20.44

52 Week Low / High



Annual Dividend History

AECON

Analyst Coverage

Firm	Analyst	Telephone
ATB Capital	Chris Murray	(647) 776-8246
BMO Capital Markets	Devin Dodge	(416) 359-6774
Canaccord Genuity	Yuri Lynk	(514) 844-3708
CIBC Capital Markets	Jacob Bout	(416) 956-6766
Desjardins Securities	Benoit Poirier	(514) 281-8653
Industrial Alliance Securities	Naji Baydoun	(514) 375-2904
Laurentian Bank Securities	Mona Nazir	(647) 252-5609
National Bank Financial	Maxim Sytchev	(416) 869-6517
Paradigm Capital	Corey Hammill	(416) 361-0754
Raymond James	Frederic Bastien	(604) 659-8232
RBC Dominion Securities	Sabahat Khan	(416) 842-7880
Stifel GMP	Ian Gillies	(416) 943-6108
TD Securities	Michael Tupholme	(416) 307-9389

11 Buy / Outperform Recommendations

2 Hold / Sector Perform Recommendation

\$21.96 Average Target Price



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