

Aecon Group Inc.

2013 Annual General Meeting

Tuesday, June 11, 2013

The Design Exchange

Exhibition Hall

Toronto, ON

John M. Beck

I always look forward to this time of year – the time when Aecon’s directors, management team, employees, shareholders, analysts, and partners all come together at our Annual General Meeting. It’s a time of both reflection on the year past, and an opportunity for us to share with you our expectations and goals for the years ahead.

First, I’d like to take this opportunity to say a few words about an individual who has played a pivotal role in the evolution and success of Aecon. In particular, someone who has made an indelible imprint on the company in terms of its passion for excellence and entrepreneurial character, now part of Aecon’s DNA. Entrepreneurship defines one of our longest standing directors who has decided not to stand for re-election and to retire from the board after more than twenty years of valuable service.

Rob Wildeboer has indeed been an integral driving force of Aecon’s success. Rob has made extraordinary contributions to the development of Aecon, and we will greatly miss his wise counsel.

Whenever we have had a difficult judgment to make – either inside the boardroom or an issue – Rob has always been there for Aecon and for me personally. He has proven time and again, to have the courage of his convictions. On behalf of my colleagues on Aecon’s executive management team, and the entire Board of Directors, I would like to thank Rob for his years of commitment and service, as he has helped make Aecon a truly national company. Most importantly, Rob, you have been there as a dear and loyal friend to me personally so it is with sincere gratitude that while we will miss you in your role as a Director, I look forward to our continuing friendship over the next twenty years or more.

As a token of our appreciation, I’m pleased to announce that we will be making a 10,000 dollar donation to the Campfire organization in your honour. Thank you Rob.

And of course, I would also like to thank each and every one of our continuing directors for their commitment and dedication – you each make a very significant contribution to Aecon.

I’m also thrilled to welcome Monica Sloan to Aecon’s Board of Directors. Her diverse skill-set and extensive experience in the energy sector will provide immense value to Aecon.

I’m pleased to highlight for you what has been a defining year for the company. The entire Aecon team has been *hard at work*, dedicated to two core objectives. First: delivering improving margins through our continued focus on execution and performance. This involves everything from safety, to project controls and risk management.

And second, organic growth in the key markets Aecon operates in. We recently announced a simplified and refined organizational structure, consistent with Aecon’s business strategy to focus on three market sectors of Infrastructure, Energy, and Mining. This will result in greater alignment of our offering of comprehensive construction services to meet the needs of our

diverse clients across Canada. Teri will provide his operational perspective on this alignment and the benefits we're already seeing from it.

I now have the pleasure of highlighting the progress we made in 2012, everything the Aecon team has accomplished in the past year, and how the year really was a pivotal one for the development and profitable growth of our company.

The unwavering focus on execution and performance that has been embedded in every facet of the organization, paired with our turnkey capabilities, have resulted in significant growth in profitability and margins in our Industrial business, the successful scaling of our mining business, and the expansion of our Utilities business in Western Canada. This progress has made a meaningful contribution to Aecon's financial performance, evident in the 2012 results. This does not mean to say we have reached perfection as we fully recognize that this is a process of continuous improvement and that there will be bumps along the way. But it does mean that we're fully committed to remain focused on this journey.

Revenue for the year ended 2012 grew only two per cent over 2011 but, on the metric of greater importance to us and you, our shareholders, we made significant progress, reflected in our bottom line as EBITDA improved from 5.1 per cent to 5.9 per cent.

Aecon delivered 172 million dollars in EBITDA on almost three billion in revenue compared to 147 million in the prior year – an increase of seventeen per cent. Profit attributable to shareholders of 75 million dollars in 2012 was a significant improvement over the 55 million recorded the year before.

Additionally, the Board of Directors approved a fourteen per cent increase in Aecon's annual dividend, from 28 cents to 32 cents per share, to be paid in quarterly instalments of eight cents per share. You will recall that last year, we increased the dividend payment by 40 per cent over the prior year from 20 cents to 28 cents per share annually.

I believe the 2012 financial results and operational performance reflect a compelling story of Aecon at work which has set us on a path to strong, sustainable earnings growth and positions Aecon to reach our target of a nine per cent EBITDA margin in 2015.

In addition to our strong financial performance this past year, Aecon has successfully completed a vast array of projects. To give you some sense of this by way of illustration....In Saskatchewan, Aecon teams finished upgrades to Consumers' Co-operative Refinery in Regina. In Ontario Aecon teams completed the Toronto Rehab Centre and the Bruce Nuclear Refurbishment project in Kincardine. In Quebec, Aecon and our partners completed the A30 Highway in Montreal, which involved one of the longest launches of a steel box bridge girder ever in the world.

In the east, Aecon Mining crews completed the Picadilly Potash Mine in Sussex, New Brunswick for PotashCorp with no lost-time accidents – a project which proudly demonstrates Aecon's award-winning safety culture.

I recall that it was about five years ago that I stood before Aecon's AGM and said that it was our priority to transform Aecon into a truly national company right across Canada. I can confidently say that we've done that – our current geographic reach and the scope of large scale projects we completed across the country are a testament to this.

There was one project on the international stage – a Greenfield project ten years in the making that also came to a successful close, or shall I say opening? On February 20th, 2013 the New Quito International Airport in Ecuador officially opened with the commencement of commercial flight operations. This project will always stand out for me as one of great collaboration – between our partners, the Canadian government and Ecuador. The strength of our partnerships that saw this airport built on a mountain plateau 10,000 feet up in the Andes and was executed flawlessly. This project represents another successful concession for Aecon, through the build, operate, and transfer model, a great example of a successful public private partnership.

Now to touch upon “how” we are successfully fine tuning Aecon's business. Aecon's business strategy is focused on what I refer to as the four Ps: People, Profitability, Partnerships and Performance. Together, we like to think of these elements as forming: The Aecon Advantage.

First, People: Aecon is making significant investments in our people and their safety – and we are pleased to have been recognized as one of the Best Employers in Canada for the sixth straight year.

The development of our employees is especially important as competition in Canada for skilled workers, project managers, and engineers is becoming intense.

Initiatives have been undertaken to strengthen Aecon's recruitment, training, and leadership practices, including the introduction this year of Aecon University, our in-house training and development program.

With Aecon's success driven by our people, the safety of our employees is paramount. Safety First has long been a core value at Aecon and continues to be a priority throughout the organization. For many clients, most notably in the resources sector, a contractor's demonstrated commitment to safety throughout the organization is as important to selecting a contractor as its commitment to schedule and price.

I'm happy to report that 2012 was a record year in safety performance for Aecon, achieving an industry-leading 99% safety audit rating. Aecon was recognized for one million hours without a lost time incident at the Conoco Philips Surmont 2 project in Alberta, was awarded the Routly Safety Award by the Ontario Road Building Association, and was also awarded the National Safety Award by the Canadian Construction Association – just to name a few of the prestigious awards we received this past year.

Second: Profitability. We recognize that profitability and shareholder value are our most significant responsibilities to you, our shareholders. We have set the target of nine per cent EBITDA margin in 2015, which is guided by a focus on bottom-line growth, rather than top line growth, and operational metrics to manage business performance in line with world-class margins – all of this with the objective of delivering increasing shareholder value.

The way in which we've developed Aecon to the company it is today, with our unique turnkey capabilities, allows Aecon to focus on enhancing client value, and competing on more than just price. The ability to self-perform services required at virtually every stage of a construction project is a growing competitive advantage for Aecon and contributes to our profitability.

Third: Partnerships. Along with the changing competitive landscape, Aecon has developed a strategy of building strong partnerships and alliances, including joint ventures and public private partnerships. Our partnering skills have enabled us to capitalize on many large-scale opportunities across the country, and will continue to be a core component of our success.

And fourth: Performance. Integrally connected with performance is execution, risk management, and project controls – all of which Teri will explain in greater detail, but each of which is key to our success.

Taken together, these four Ps in tandem with Aecon's focus on the market sectors of Infrastructure, Energy, and Mining, as well as our national footprint, our strong balance sheet, our financial liquidity and our substantial bonding capacity, and improving margins – collectively "The Aecon Advantage", gives us confidence in Aecon's continued solid and improving performance.

I'll now turn it over to Teri, who will provide a picture of the inner workings of Aecon.

Teri McKibbon

Thanks John.

I'm going to dive right in, and review what we have been focused on operationally, and the benefits we have experienced. In support of the broader strategy John outlined, we have been refining the company's operations at every level.

A few years ago, we initiated the 'One Aecon' approach – better connecting our divisions and business units, with the objective of providing comprehensive turnkey services to our clients... in other words evolving into a 'one-stop shop' for our clients. As with every new endeavor you aren't always sure if it will "stick". However, the 'One Aecon' approach has done more than stick, and is now fully entrenched within the operations of the organization, and has gone from an initial concept, to what is now the Aecon way of doing things. We have fundamentally changed the way Aecon works and also how we serve our clients. The end result and an immeasurable benefit to Aecon, has been the heightened ability to self-

perform a vast array of services allowing for cost savings for both Aecon and our clients through economies of scale and resource sharing.

As John mentioned, to support these turnkey services, we have simplified Aecon's organizational structure to better serve our clients who operate in specific market segments across Canada – this was the next natural step in the evolution of Aecon.

Aecon is now internally aligned with the sectors our clients operate in: Infrastructure, Energy and Mining. This is a big move for Aecon, which allows for a more defined leadership structure, establishes Aecon as one completely interconnected entity, and will set the foundation for Aecon's future.

The Infrastructure segment brings together a vast amount of knowledge and expertise from across Aecon and includes all aspects of construction for both public and private infrastructure, focusing on the sectors of transportation, heavy civil construction including hydroelectric facilities, and social infrastructure including transit stations, industrial site buildings and water treatment facilities. The Infrastructure segment accounted for 41 per cent of Aecon's revenue in 2012, and as of March 31st, 2013 had just over \$1 billion in recorded backlog – it currently is our largest segment.

The Infrastructure team is working on projects such as the Air Rail Link here in Toronto, the Anthony Henday Ring Road in Edmonton, and the Waneta Dam in southern British Columbia.

The new Energy segment brings together the breadth of Aecon's services including oil and gas, power generation, pipe fabrication and modularization, and now Utilities. While Utilities has in the past been a part of our Infrastructure division, we didn't want to just leave the business there, because it had always been there. With the growth of our Utilities business in Western Canada and its connectivity to our other energy capabilities, this business now best fits under the Energy suite of services.

Representing 35 per cent of Aecon's revenue in 2012, Aecon Energy has over \$800 million in backlog as of March 31. With a diverse portfolio of current projects, Aecon's Energy segment is working on large projects such as Ontario Power Generation's Atikokan Generating Station, the Darlington Nuclear Refurbishment project, and Conoco Phillips' pipe fabrication and module project for the Surmont 2 site in Alberta.

Additionally we were pleased to recently be awarded a \$250 million cogeneration project at the Syncrude Upgrader site in Fort McMurray, Alberta. A 50/50 joint venture with Black & Veatch, the project involves engineering and construction of a cogeneration facility over a three-year period. This project underlines the ongoing positive outlook of our business in Western Canada and demonstrates the diverse capabilities Aecon Energy brings to the table – cogen work, and pipe fabrication, and how seamless these services are under the single Energy umbrella.

Aecon's Mining segment now encompasses a full suite of mining services including mine-site installations involving process installations and heavy mechanical work, and contract mining, which was formerly in our Infrastructure segment. Aecon Mining is currently installing PotashCorp's new process mill in Rocanville, Saskatchewan and is providing a host of services to major oil sands projects in Fort McMurray including Suncor Energy's Millennium and North Steep Bank Mines, and Syncrude's Base and Aurora Mines. Aecon Mining reported \$677 million in revenue in 2012, which accounted for 23 per cent of Aecon's revenue, a number we expect only to grow. As of March 31, the Mining segment had \$250 million in recorded backlog.

Beyond the three market sectors, Aecon's Concessions segment is focused on activities such as project financing, public private partnership projects, and development of strategic partnerships. The P3 market in Canada is more robust than we have ever seen. The expertise of our Concessions group continues to be critical as we seek partnerships for large, complex projects, some in the form of design, build, finance, operate and maintain models.

All combined, the way in which Aecon has evolved, with the services of these market segments, and the resulting turnkey capabilities we offer, are what makes Aecon stand out.

In tandem with the realignment of our services, we have been at work pursuing excellence in project execution, risk management practices and project controls -- maximizing resources and efficiencies across the entire company.

Over the course of the last few years, Aecon has established a detailed set of project criteria and risk management practices that are continuously reviewed, updated and improved. From the criteria set for selecting the projects we bid, and the evaluation of project risks and appropriate mitigation measures, to project pricing and the senior management approval processes a bid must go through – these steps are a strategic and operational priority for Aecon.

An important element of Aecon's risk management strategy is the ongoing monitoring of projects under construction to ensure that the plan established at the bid stage of the project remains appropriate and is being effectively implemented.

To assist in this effort, Aecon has established a 'project controls' team, consisting of some of Aecon's most experienced and knowledgeable staff, whose mandate is to ensure that complex projects are provided with state-of-the-art management controls for contract administration, cost control, scheduling and other best practices. This team also reviews the status of key projects against a set of pre-determined criteria. These processes are ensuring each project is meeting its financial and risk management objectives – a significant contribution to Aecon's pursuit of operational excellence.

On top of these concerted efforts, we have augmented our senior management team with top talent in project controls, information systems, and corporate affairs – a team that is now working at a higher level of performance and collaboration – necessary for a company as committed to excellence as Aecon is.

With the combination of our client focused approach, Aecon's extensive capabilities to self-perform work required on significant projects, and our ongoing focus on execution and risk management, we are working hard to meet our 9 per cent EBITDA margin in 2015.

And, I must say that this is a very exciting time to be a part of Aecon.

I'll now turn it over to John, who will provide insight into Aecon's outlook.

John M. Beck

Thanks Teri.

By the way, these leaders have done a fantastic job in making Aecon stronger than ever. This talented group is but a part of our 12,000 employees across Canada, hard at work making Aecon the best company for our clients, our partners, and you, our valued shareholders. I'd like to thank them again for all of their efforts, flexibility, ingenuity, expertise and hard work.

Looking forward, there are substantial opportunities for Aecon, particularly with how we are currently positioned in the three market sectors of Infrastructure, Energy and Mining. Moreover, there are two dynamic trends affecting the nature of our business and how it has evolved.

The first trend relates to the extent to which we now work on more significant projects. As an illustration of this important trend, approximately forty per cent of our work today is comprised of projects valued at over one hundred million dollars each, whereas this only represented about five per cent of our business five years ago. For such large, complex projects, the importance of building relationships, partnerships and alliances is more of a priority than ever. We have positioned Aecon to be a partner our peers want to work with – a partner with the financial strength to take on substantial projects which require a unique blend of boots on the ground, operational expertise, project management skills and long-term planning capabilities.

Given the nature of the larger projects we are working on, we expect greater quarter-to-quarter variability in our backlog, what we call lumpy. You get larger projects and work them off in four, eight or even sixteen quarters.

The second trend relates to that part of the ongoing growth in our business which involves recurring revenue beyond that which is booked in our reported backlog.

Aecon is increasingly being chosen for multi-year operating and service contracts, and alliance agreements. This type of work – with recurring revenue now of some 750 million annually has grown from ten per cent and today accounts for approximately twenty-five per cent of Aecon's business and growing.

With these trends in mind, I'd like to look more closely at our three market sectors and examine some of the broader opportunities available in the marketplace today.

Canada is projected to become the fifth largest construction market in the world by 2020, trailing only China, India, the United States and Japan, according to PricewaterhouseCoopers.

The overall Infrastructure market for the long-term has been bolstered by a forty-seven billion dollar commitment by the Government of Canada through its recently announced ten-year program, as well as ongoing commitments by many provinces to continue investing in public sector infrastructure.

Ontario alone has earmarked thirty-four billion dollars for the second phase of the “Big Move” transportation infrastructure build and Aecon is already working on the first phase of projects including the Air Rail Link, Spadina Subway extension, and Union Station revitalization project in downtown Toronto.

In Alberta, the provincial Capital Plan supports fifteen billion dollars in infrastructure projects by 2016. With Alberta’s population expected to grow to over five million in the next twenty years, Aecon is ready and able to fulfill the needs of this rapidly growing province, as witnessed by the ring-road projects in Calgary and Edmonton.

There are substantial transportation and heavy civil projects currently being developed across the country, which Aecon is already pre-qualified for and will be responding to requests for proposals through the course of 2013 and 2014, including those in the next phase of the “Big Move”. Our Energy business is poised for sustained growth given the billions of investment dollars required to update and expand Canada’s electricity generation, transmission, and distribution systems. Looking long-term, the Canadian Chamber of Commerce projects that demand for energy will double in Canada by 2050.

We are also seeing significant Liquefied Natural Gas pipeline proposals in Canada. With these opportunities in mind, we are currently looking at potential partnership opportunities for both LNG construction and the related infrastructure.

Our considerable experience in the Utilities sector will see us expand that business into water and wastewater filtration facilities, again through joint ventures or strategic partnerships.

There are both short- and long-term hydro-transmission opportunities across all provinces, with considerable activity in Western Canada.

On the Mining side, our business has been purpose-built to serve clients across Canada and continues to present ongoing opportunities for growth in recurring revenue as well as new mining facility and plant installations – particularly in the potash sector.

In Eastern Canada, the Government of Newfoundland and Labrador estimates that fifteen billion dollars worth of investments in mining projects is projected to occur over the next decade.

Looking westward, we are already heavily active in both the potash and oil sands sectors in Saskatchewan and Alberta, and fully expect that trend to continue.

I'd like to note that the annual gross domestic product of mining in Canada's far north, which was 4 billion dollars two years ago, is expected to reach 8 billion in eight years – Aecon is certainly looking at various mining opportunities in the north as we speak.

For our Concessions segment there is an unprecedented pipeline of opportunities in Canada where our team can play an integral role. The P3 market remains healthy and vibrant and we expect our Concessions business to continue to add value to our bottom line in 2013 and beyond, as well as to generate valuable higher margin construction activity.

All together the demand for Aecon's construction services remains robust. We are increasingly sought after as a joint venture partner in large, multi-year projects given our diverse capabilities across Canada, and we expect continued progress in financial performance to reach our target of nine per cent EBITDA margin in 2015.

Aecon has been built as a proudly Canadian company, and we are confident that through our hard work, Aecon will become Canada's *premier* construction and infrastructure development company.

Thank you for your continued support.