



**Aecon Group Inc.
Annual and Special Meeting of Shareholders
June 16, 2009**

**Presentation by
John M. Beck, Chairman and CEO
and
Scott C. Balfour, President and CFO**

“Strength in Numbers”

Check for delivery

The images that you have seen on this screen and on the walls around the room have been reproduced from our 2008 annual report. These pictures are meant to associate Aecon with the strength and durability of the materials that we use to construct the buildings, the infrastructure and the industrial facilities that last year contributed more than 1.9 billion dollars to Aecon's top line.

Of course, for many of us, these images of iron and steel are also descriptive of the kind of stomach and nervous system that one needed as an investor in the period of global economic turmoil that has prevailed over the last six months.

In the next twenty minutes or so we're going to talk about what Aecon accomplished in 2008; what we've done to mitigate the impact of the current global recession on our financial performance; how we're structured to take advantage of the recovery; and where we see opportunities and risks over the near and medium term.

In our discussion on our outlook, we're going to spend a bit more time on the macro forces impacting our industry and our business opportunities because frankly, right now, this is the largest and potentially most volatile piece of the equation.

Even in periods of economic stability, it's not unusual to get different opinions from different economists. But when things become as unglued as they have over the past year, economic forecasts are written down in pencil ... if they are written down at all.

As a result, there is no consensus on the future of several key economic variables – from the value of the dollar to the price of oil. In building our business plan and budget for the current year – an exercise that we go through each Fall, update quarterly, review monthly and monitor daily – we've made a number of assumptions about these and other variables.

For the most part, we built our plans on estimates that were in the conservative quartile of the range.

We'll talk about what we see in these numbers in more detail in this presentation. For the moment, we want to start by putting substance and meaning to the phrase "Strength in Numbers" that adorns the cover of this year's shareholders' report.

The centre spread of this report clearly illustrates several important attributes that characterize Aecon.

First, we've been around a long time. Prior to our most recent acquisitions, the Aecon family could trace its roots back nearly 100 years to 1910 when the Foundation Company was established in Montreal.

Earlier this year when we combined forces with Lockerbie & Hole, our lineage was extended back to 1877 and 1898 when Adam Clark and Jack Lockerbie started their plumbing businesses.

Some of you might rightly ask – so what does being old have to do with being good?

This kind of history brings with it an institutional memory that helps us to see opportunities and pitfalls that others don't see. It also gives us access to bids where the project sponsor places a premium on proven experience and a reputation for reliability.

And it speaks to the value that we and our clients place on innovation. At Aecon, the old dogs not only learn new tricks, every now and then, we teach them.

The second thing we mean when we say that Aecon has strength in numbers is that we operate a broad range of construction businesses in several different regions of the country, and that we have relationships with customers who make capital spending decisions that are influenced by a wide variety of economic factors – from the demand for hospital beds in central Nova Scotia to the price of crude in West Texas.

This slide gives you some idea of where we've had shovels in the ground in the last eighteen months. On the west coast, our Scott Construction affiliate was awarded a \$200 million contract last year to restore and expand a commercial/residential complex that includes the historic Georgia Hotel.

They were also commissioned to expand facilities at the University of British Columbia and at the Vancouver International Airport.

On the other side of the country, Aecon Buildings was awarded a \$17.5 million contract to build the new Global Learning Commons at St. Mary's University in Halifax.

In the Prairies, we've been working for Canada Post in Winnipeg to help build a new mail processing plant. In Edmonton, we are building an \$81 million extension to Highway 21 and we recently completed work on the city's Light Rail Transit system.

In Calgary, we completed bridge work on the City's ring road expansion in addition to taking on multiple road construction projects in Southern Alberta. Also, as a result of our acquisition of Lockerbie & Hole, we are well underway constructing the \$267 million Calgary South Health Complex - one of the largest projects currently in our active construction pipeline.

While we've been busy in many parts of the country, Central Canada remains our most dominant market. In Montreal, we're rehabilitating or expanding three of the city's vital transportation links – the Jacques-Cartier Bridge, the Champlain Bridge and the Trudeau International Airport in Dorval.

In Ontario, the Buildings group was tapped by the University of Waterloo to construct the 130 million-dollar Mike & Ophelia Lazaridis Quantum-NanoTechnology Centre. Last year Cambridge-based Innovative Steam Technologies constructed Once Through Steam Generator units for installation in places ranging from an offshore drilling platform in the North Sea to the Pirelli Tire factory in Turkey.

Our Infrastructure group performed around one hundred and twenty five million dollars worth of cable and pipeline installations for Bell Canada and Union Gas under multi-year supplier of choice contracts.

They also won a hundred and forty million dollars worth of roadbuilding contracts from the Ministry of Transportation of Ontario including a major contract to widen Highway 401 near Woodstock.

These are just some of the highlights of the roughly two billion dollars worth of construction work that Aecon has had underway in the past year. But this work is not only diversified by region, it is diversified by economic sector.

The following graph illustrates this point. Last year our revenue was sourced from these six sectors of the economy. The largest segment, energy related projects, accounted for 25 percent followed by work related to transportation infrastructure projects which accounted for 20 percent.

Commercial and retail projects represented 18 percent, while the oilsands accounted for 12 percent and social infrastructure came in at around eight percent.

This broad stance gives Aecon greater stability when demand in the construction industry suddenly shifts.

For example, at the end of 2007 our backlog was a record \$1.23 billion distributed fairly evenly between Infrastructure at 30 percent, Buildings at 39 percent and Industrial at 31 percent.

Twelve months later, we had virtually the same level of work in our backlog at \$1.25 billion, but the composition had shifted in favour of Infrastructure at 37 percent and Buildings at 43 percent versus Industrial at 20 percent.

But most importantly, when we say that Aecon has strength in numbers, we're also talking about our people. With the recent addition of our colleagues from Lockerbie & Hole, Aecon now has more than 6,000 employees. In our business, this is a key strategic asset.

Anyone can buy a welding machine. They cost up to twenty-five thousand dollars right out of the box. What is harder to find are the people who know how to operate it safely and efficiently, how to maintain it and how to schedule it to optimize the return on that twenty-five thousand dollar investment.

Skilled people give Aecon the ability to deliver our construction services on time and on budget. We believe that as the economic recovery takes hold our people will give Aecon an even greater edge in the markets that we serve.

2008 Highlights

Three years ago, Aecon adopted a very simple strategic plan that was designed to improve our bottom line by ... among other things ... being more selective about what we put on the top line. We improved cost controls and became more disciplined in our approach to bidding. The evidence of the impact of this strategy became clear in 2007.

But we feel the real test of our efforts to build a better Aecon should not be measured by a year when all boats are rising. To test how well Aecon could thrive in tougher times, we need to see how we performed when the economy was facing some headwinds.

Of course, we all know what happened in 2008. In the last half of last year, the capital markets seized up as asset values were marked down by 40 percent or more in the span of a couple of weeks.

In Q4, the headwinds became a tornado. Major capital projects were put on hold and balance sheets were purged of excess debt.

In retrospect, 2008 would test not only the resilience of Aecon's strategic plan, it would test the confidence that we all have in our financial system, our regulators, our political leaders and even in the market system itself.

In the face of these challenges, we are very pleased with Aecon's financial performance last year. We generated \$1.9 billion in revenue ... an increase of 26 percent over the same period last year.

EBITDA increased from \$83 million in 2007 to \$125 million. Net income rose from \$48 million to \$59 million while EPS jumped by four cents to a dollar twenty per diluted share.

By the end of the year, our backlog had reached a new record of \$1.25 billion.

In terms of business development, in 2008 we announced the acquisition of Alberta-based South Rock Ltd., which added depth to our roadbuilding capability and gave us access to strategically important aggregate products in that province.

Our investment in the Alberta market continued in 2009 with the February announcement and April closing of our acquisition of Lockerbie & Hole which further strengthened our presence in the Western Canadian industrial market and gave us capabilities in the mechanical and water/wastewater markets.

Our plan to grow our presence in Alberta was based on the belief that the Canadian economy was shifting, and continues to shift westward. These charts illustrate the point. In 2004, for every dollar of non-residential construction permitted in Alberta, Ontario permitted three and a half dollars.

Four years later, two things have happened. First, the total value of the non-residential construction industry has increased by 58 percent. Second, while Ontario, compared to any other single province, still commands the largest share of the market, the gap between Ontario and Alberta has narrowed to a ratio of about 1.6 to one.

Forecasting what this chart will look like for 2009 and 2010 depends on your view on a few key variables - the timing of stimulus spending, commodity prices, the demand for energy, the future of manufacturing and the duration of the recession.

While some of these trends are up in the air, what is less uncertain is that the near term weakness in the global demand for hydrocarbons has already had a severe impact on the pace of industrial construction in Alberta in 2009.

But I can't overemphasize this point – there are very positive consequences for the Alberta construction industry as a whole and for Aecon in particular as a result of this reality check.

In 2007 and early 2008, industrial construction activity in Northern Alberta was out of control. Project sponsors were irrational in their contracting. It was wasteful and inefficient and it needed to rationalize. A more stable long term industry is emerging from this process.

We believe the new oilsands industry that is taking shape in Alberta will favour contractors like Aecon that have the scale, the expertise and the experience to deliver large complex projects on time and on budget.

On a segmented basis, last year we saw revenue increases in each of our four operating segments with the largest increase coming from our Industrial Segment.

Because of the differences in margins between the segments, a similar but more dramatic picture emerges when we look at the year over year changes in Operating Profit.

In 2008, Infrastructure's Operating Profit was flat while Industrial's Operating Profit more than doubled and the Concessions Segment profit nearly tripled.

The Buildings Segment was the outlier. While the top line increased to \$461 million, Buildings suffered a decline in Operating Profit last year from \$4.4 million to \$400 thousand.

Underperformance in the Segment's Montreal unit contributed to this deterioration. We've taken appropriate steps to improve the financial performance of this unit and expect to see evidence of the impact of these measures in the current fiscal year.

In other developments, we're very pleased to report that we were awarded a 98.8 percent audit rating by the Construction Safety Association – one of the highest rankings in the Association's history.

Also in 2008, Aecon was recognized by Hewitt Associates and the Globe & Mail as one of Canada's fifty best employers. In 2009, we improved on this ranking and have been recognized as one the country's top ten employers.

Outlook

In any other year, our commentary on Aecon's financial performance would now turn to our outlook for the future. But as we all know, last year was not like any other. In 2008, economics trumped every other card in the deck as the world witnessed a sudden and massive re-pricing of virtually every asset class.

Expectations of continued economic expansion were reviewed, revised and quickly reversed. The lubricant of easy credit was removed from the market and the engine of growth stalled.

Governments stepped in to recapitalize the financial system, but financial engineering had made balance sheets increasingly opaque which in turn stifled the interbank lending market.

Governments quickly developed new fiscal and tax policy initiatives in an effort to stimulate economic activity and have even started making direct investments to support the manufacturing sector.

But even before the current economic downturn took hold, the tide of public sector spending had already started to turn in favour of infrastructure renewal.

After several decades of underfunding, governments at all levels and of all political philosophies have started to commit fresh capital to the refurbishment and expansion of the country's aging infrastructure.

Many of these plans have been accelerated and expanded as yesterday's focus on balanced budgets has given way to stimulus spending.

So what does all of this mean for Aecon over the next twelve to eighteen months?

Overall, we believe that Aecon is very well positioned to manage through the downturn and into the recovery. But this transition is expected to impact different segments at different times and in different ways.

In our Infrastructure Segment, our backlog as at March 31st was \$660 million versus \$414 million at the same time last year.

We see an excellent bidding pipeline of new project opportunities coming on stream in 2009 and 2010. In particular, the appetite for "big transit, big highway and big energy projects" has never been stronger.

To give you an idea of the scale of the work that is being conceived, looking out through to 2010, we have visibility on between \$3 and \$4 billion worth of P3 transportation projects ... and that is just in the Greater Toronto Area.

The same thing is happening in other parts of the province – with projects like the Detroit/Windsor crossing - and in other parts of the country – with hydro projects and tunnels being commissioned in British Columbia and toll roads under development in Alberta and Quebec.

Aecon is well positioned to participate in its fair share of these projects. The field of qualified bidders for this kind of work is smaller and the margins can end up being better than what we see on smaller projects.

That having been said, while the big project pipeline is filling up, we're approaching this work with a vigilant eye to mitigating risk and keeping balance in our backlog. Our bread-and-butter projects are still smaller contracts. On bigger deals, we look to spread risk by sharing the project with partners that we trust.

But big or small, frankly, we can't think of a better time to be in the business of building Canada's infrastructure – something that we've been doing for more than 100 years.

The Buildings Segment has a good balance of work in its backlog which stood at \$520 million at the end of March versus \$428 million at the same time last year.

We expect to show improved results from this segment in 2009 with the changes that have already been made to our operations.

The bidding pipeline in the Buildings Segment is also tapped into the supply of contracts that will flow from government sponsored infrastructure renewal initiatives.

Aecon Buildings is particularly focussed on social infrastructure opportunities such as universities and hospitals. They are currently in construction on the Rouge Valley Health System in Ajax and on the Toronto Rehabilitation Institute on University Avenue, among many others.

In the Concessions Segment, 2008 saw a 25 percent improvement in revenue attributable to increased concession revenues from both the Cross Israel Highway and the Quito International airport.

The Cross Israel Highway reported a 4.5 percent increase in average weekday traffic in December of 2008 over the same period in 2007.

In Ecuador, nearly four and a half million passengers passed through the existing airport in 2008, an increase of 6.9 percent over 2007. Looking forward, we expect these concessions to continue to perform well in the coming 12 to 18 months.

The story from the Industrial Segment is mixed. Backlog declined to 179 million dollars at the end of March from 390 million dollars at the same time last year.

In Ontario, Industrial's order book was driven by a number of Ontario-based power generation projects including work associated with the restart of the Bruce Nuclear plant.

We've completed most of this work and we're actively bidding on new opportunities in the Ontario power generating market.

We expect this market to begin to strengthen in 2010 and beyond, albeit with somewhat reduced margins.

Last year in Alberta, the Industrial segment was driven by the almost break-neck pace of development in the oilsands. When the global demand for oil abated in the second half of 2008, new development projects in Fort McMurray literally came to a halt.

Some life is now coming back to the region with the recent announcement by Imperial Oil to "green light" their Kearl project.

But there are very few who expect, or in fact want, Fort McMurray to return to the days of "irrational exuberance". A more balanced market is better for the industry ... but it is particularly good for Aecon for a number of reasons.

First, it means projects are better planned and managed and resources are more efficiently allocated. Second, it means the same amount of work will be apportioned to quality contractors like Aecon over a longer period.

But the most important difference, we believe, will be the re-emergence of fixed-price contracting where the contractor bears some of the completion risk. For the experienced contractor, there is more margin upside in fixed price projects than in cost plus contracts – but you have to know what you're doing and you need to have scale.

After coming off our strongest year ever in 2008, we are seeing markets rebalance themselves in 2009. We expect that the strong backlog that carried us through the start of the year will be sustained through the next six to nine months as various public sector stimulus initiatives and private sector growth opportunities converge to create earnings momentum in 2010 and into 2011.

Our diversification by industry, by region and by economic cycle is working very much in our favour to soften the impact of the current recession.

Our balance sheet coming into the year is in excellent shape and remains strong notwithstanding the cash used to close the Lockerbie & Hole acquisition earlier this quarter.

From our balance sheet to our bidding pipeline ... from the diversity of our markets to the experience of our people ... we believe that Aecon is well-structured to deal with the fallout from the current economic downturn.

More importantly, we believe that we're in an ideal position to take advantage of the economic recovery when it starts to take hold.

Last year, we added over fifteen hundred people to our ranks, primarily as a result of our South Rock and Lockerbie & Hole acquisitions. We thank them, as well as our loyal and longstanding employees at Aecon, for their support and patience as we complete the integration process.

This work is now well-advanced and collectively our attention is focussed on building this business together.

Before closing, I would like to pay tribute to John DiCiurcio who has retired from the board of directors at this meeting and to warmly welcome J.D. Hole and Tony Franceschini who joined the board earlier this year.

Ladies and gentlemen, thank you for your continued support of Aecon.