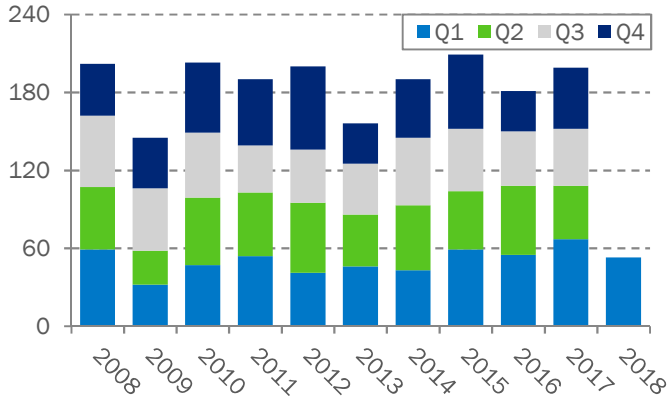
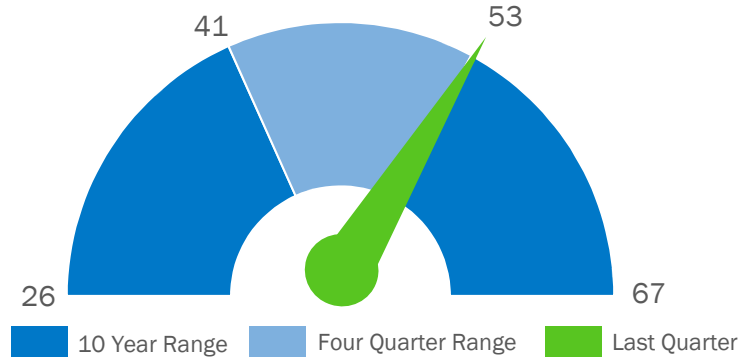


- Buoyed by a healthy economy, the outlook for construction in Canada is positive, with the industry expected to grow 4% in 2018, up from a decline of 1% in 2017. Potential implications from ongoing NAFTA negotiations pose a downside risk
- Construction and Engineering remains the second least digitized industry in the world according to the MGI Digitization Index. This digital void has paved the way for start-up technology companies to break into the industry, with construction-technology firms having raised over \$10 billion in investment funding since 2011
- Disruption is most likely to be felt among established industry competitors focused on the Construction phase, with a majority of start-up firms targeting this segment over Design, Pre-construction, and Operations & Management

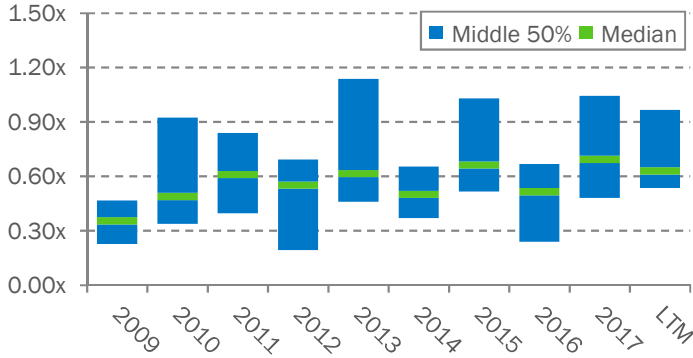
M&A Deal Count



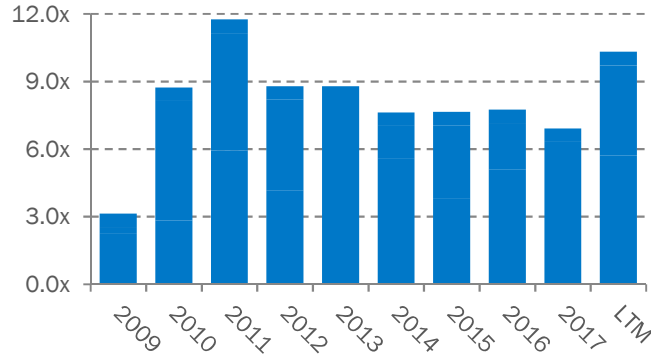
Comparative Quarterly M&A Activity



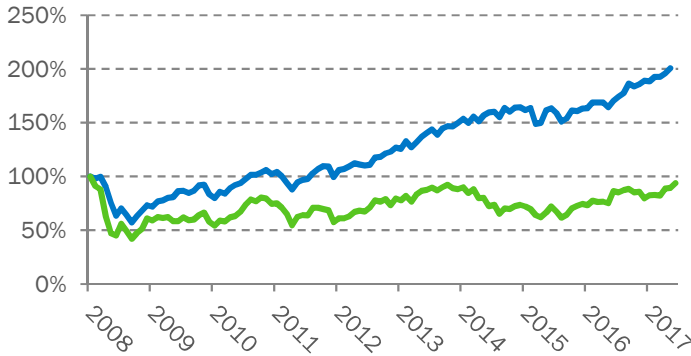
TEV/Revenue Multiples



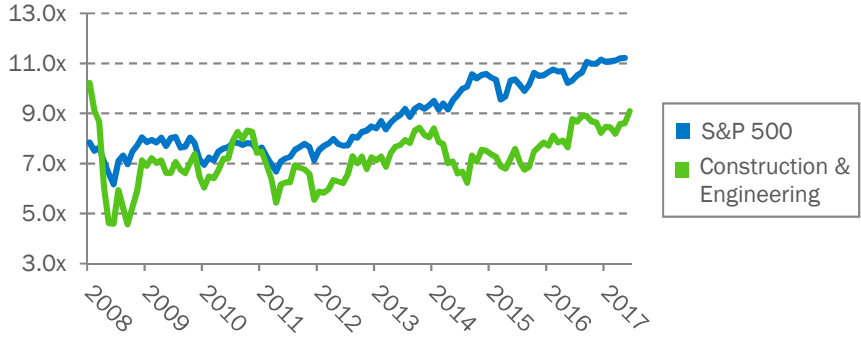
Median TEV/EBITDA Multiples



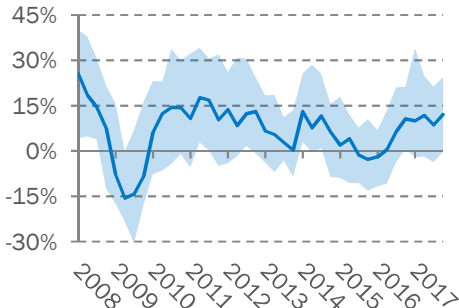
Composite Index



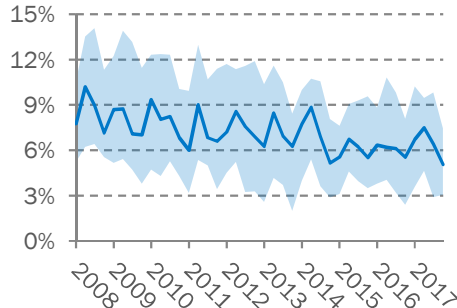
Composite TEV/Forward EBITDA



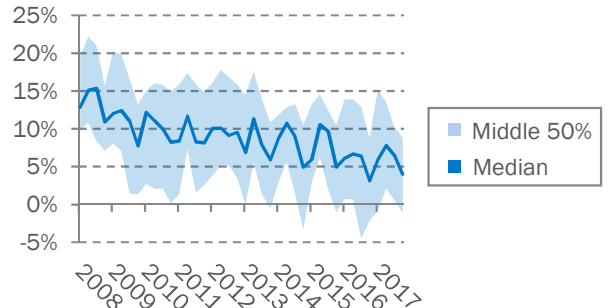
Revenue Growth



EBITDA Margin



Return on Assets



Construction and Engineering Announced M&A Deals (US\$ in millions)

Date	Target	Buyer	Transaction Value	EBITDA Multiple
08-28-17	Hewitt Equipment Limited	Toromont Industries Ltd.	1,018.7	-
10-05-16	Taiga Building Products Ltd.	UPP Investments Canada Limited	235.3	6.1x
02-29-16	Joe Johnson Equipment Inc.	Sirit, Inc.	118.5	-
05-06-15	Kramer Ltd.	Finning International Inc.	233.0	-
02-10-15	Spicers Canada Limited	Central National-Gottesman Inc.	63.0	-
12-02-13	Commercial Solutions Inc.	Motion Industries (Canada), Inc.	38.2	16.0x
06-20-13	Noble Corporation	EMCO Corporation	214.0	-
07-04-13	Simark Controls Ltd.	SFC Energy AG	24.4	-
04-17-13	National Process Equipment, Inc.	DXP Canada Enterprises Ltd	47.3	-
10-17-12	Eecol Electric CORP.	WDCC Enterprises Inc.	1,140.0	-
05-24-12	Wesco Aircraft Canada Inc.	Wesco Aircraft Europe, Ltd.	134.0	-
05-24-12	Alberta Industrial Metals Ltd.	Russel Metals Inc.	30.0	-
03-14-12	Carrier Enterprise Canada, L.P.	Watsco, Inc.	171.8	-
05-02-11	Harper Power Products, Inc.	Wajax Power Systems	21.6	-
12-13-10	Franco-Nevada GLW Holdings Corp.	Franco-Nevada Corporation	627.0	12.4x
12-13-10	Franco-Nevada GLW Holdings Corp.	Franco-Nevada Corporation	262.6	11.2x
11-24-09	FLOCOR, Inc.	Groupe Deschênes Inc.	48.8	-
12-08-09	DC Energy Services, LP	Total Energy Services Inc.	44.4	-
07-24-08	Cummins Western Canada Ltd.	Cummins Inc.	10.7	-
08-19-08	Bri-Steel Corporation	Bri-Chem Corp.	38.7	-

Construction and Engineering - 15 Largest Public Companies (US\$ in millions)

Company Name	TEV	TEV/EBITDA			EBITDA Margin	3-year CAGR	Debt / EBITDA
		LTM	2017E	2019E			
SNC-Lavalin Group Inc.	\$13,052	14.8x	12.4x	11.1x	6.2%	16.5%	3.8x
Jacobs Engineering Group Inc.	\$11,058	13.7x	10.7x	9.1x	5.5%	(0.7%)	3.1x
WSP Global Inc.	\$8,887	16.3x	13.2x	12.1x	5.3%	26.5%	2.4x
AECOM	\$8,692	9.9x	9.8x	8.7x	2.5%	(0.1%)	5.3x
Fluor Corporation	\$6,930	12.2x	9.3x	7.1x	1.8%	(25.8%)	2.9x
Quanta Services, Inc.	\$6,153	9.4x	7.1x	6.4x	4.6%	0.2%	1.3x
MasTec, Inc.	\$5,606	9.7x	8.1x	7.4x	5.3%	12.9%	2.6x
EMCOR Group, Inc.	\$4,514	9.8x	10.1x	9.5x	5.0%	11.8%	0.7x
Dycom Industries, Inc.	\$3,787	14.8x	9.1x	7.5x	2.9%	0.0%	3.0x
Valmont Industries, Inc.	\$3,702	10.6x	9.9x	9.1x	9.5%	(4.7%)	2.1x
KBR, Inc.	\$2,748	8.6x	7.2x	7.5x	4.7%	n.m.	2.4x
Granite Construction Incorporated	\$2,398	12.4x	9.3x	7.2x	4.0%	13.6%	1.2x
Comfort Systems USA, Inc.	\$1,841	12.3x	11.0x	10.2x	5.7%	25.8%	0.5x
WillScot Corporation	\$1,751	n.m.	10.2x	9.1x	3.8%	0.0%	n.m.
Primoris Services Corporation	\$1,599	9.5x	8.1x	7.0x	4.2%	3.6%	1.5x

¹Forecasted compound annual growth rate of revenue

High	\$13,052	16.3x	13.2x	12.1x	9.5%	26.5%	5.3x
Low	\$1,599	8.6x	7.1x	6.4x	1.8%	(25.8%)	0.5x
Median	\$4,514	11.4x	9.8x	8.7x	4.7%	1.9%	2.4x
Mean	\$5,514	11.7x	9.7x	8.6x	4.7%	5.7%	2.3x