AECON GROUP INC. | SECOND QUARTER REPORT 2015

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Dear Fellow Shareholders,

Aecon's second quarter results of 2015 represent revenue growth and margin progress including a revenue increase of 13 per cent over the second quarter of last year and higher Adjusted EBITDA of $29.9 million as compared to $13.9 million in the same period of 2014. These solid results round out a strong first half of the year, further validating the sustainability of our diversified strategic business model.

Backlog of $2.6 billion as at June 30, 2015 compared to $2.7 billion as at June 30, 2014. To be included in third quarter backlog will be Aecon's 25 per cent share of the $5.3 billion Eglinton Crosstown Light Rail Transit (LRT) project, which reached financial close on July 24 and is the largest contract award in Aecon's history.

While construction markets linked to oil and commodity prices remain uncertain in the current environment, Aecon is well positioned at present in all of our operating segments.

Backlog in the Infrastructure segment is expected to increase in the second half of the year due to the previously referenced Eglinton Crosstown LRT project. Aecon is recognized for its expertise and capability to deliver large, complex, multi-disciplinary infrastructure projects and based on the current pipeline of projects being pursued expects to see further growth in this segment in 2015 and 2016.

In the Energy segment, while there is still uncertainty as to the timing and extent of recovery in oil prices, we continue to bid and win work in the oil and gas sector. In the near term, existing backlog and recurring revenue in the Energy segment are expected to result in improved second half performance versus the prior year. Also of note, in addition to a number of opportunities across the Energy segment, including nuclear refurbishment in Ontario, are the potential opportunities with the Marcellus shale natural gas developments including the need for compression stations, pipelines and related facilities within Canada, which Aecon is ideally-suited to respond to.

In the Mining segment, interest in new development projects continue as evidenced by two recent awards at the Rainy River gold project in Ontario. A reduction in our contract mining recurring revenue reflects our strategic ability to shift focus from recurring revenue to hard backlog projects and vice-versa depending on market conditions. The current backlog and an increase in non-oil related work is expected to sustain the mining fleet in 2015, combined with strong expected performance from site installation operations.

The Concessions segment continues to partner with Aecon's other segments to focus on the significant number of Public Private Partnership opportunities in Canada, and is actively pursuing a number of large-scale infrastructure projects that require private finance solutions.

We are also pleased to have successfully completed core strategic initiatives including the previously announced sale of Aecon's share in the Quito Airport concessionaire, as well as the sale of Aecon's subsidiary IST.

Aecon's strategic diversification will see us in good stead, as we remain focused on offering differentiated and integrated turnkey services while performing high quality, safe and on-time work for our clients. We maintain a positive outlook for the second half of 2015 given our healthy backlog position, the substantial recurring revenue we have secured, and the solid margin profile for each of our segments.

Thank you for your continued support.

Yours truly,

(Signed) John M. Beck Executive Chairman	(Signed) Teri McKibbon President and Chief Executive Officer

August 10, 2015

Aecon Group Inc.

Management's Discussion and Analysis of Operating Results and Financial Condition

June 30, 2015

Management's Discussion And Analysis Of Operating Results And Financial Condition ("MD&A")

The following discussion and analysis of the consolidated results of operations and financial condition of Aecon Group Inc. ("Aecon" or the "Company") should be read in conjunction with the Company's June 30, 2015 interim condensed consolidated financial statements and notes, which have not been reviewed by the Company's external auditor, and in conjunction with the Company's annual MD&A for the year ended December 31, 2014. This MD&A has been prepared as of August 10, 2015. Additional information regarding Aecon is available through the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and includes the Company's Annual Information Form and other securities and continuous disclosure filings.

Introduction

Aecon operates in four principal segments within the construction and infrastructure development industry: Infrastructure, Energy, Mining and Concessions.

The construction industry in Canada is seasonal in nature for companies like Aecon who perform a significant portion of their work outdoors, particularly road construction and utilities work. As a result, less work is performed in the winter and early spring months than in the summer and fall months. Accordingly, Aecon has historically experienced a seasonal pattern in its operating results, with the first half of the year, and particularly the first quarter, typically generating lower revenue and profit than the second half of the year. Therefore, results in any one quarter are not necessarily indicative of results in any other quarter, or for the year as a whole.

FORWARD-LOOKING INFORMATION

The information in this Management's Discussion and Analysis 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 general global events outside Aecon's control, there are factors which could cause actual results, performance or achievements to vary 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, including Large Project Risk and Contractual Factors. Risk factors are discussed in greater detail in the section on "Risk Factors" included in the Company's Annual Information Form dated March 30, 2015 and available through SEDAR at www.sedar.com. Forward-looking statements include information concerning possible or assumed future results of Aecon's operations and financial position, as well as statements preceded by, followed by, or that include the words "believes," "expects," "anticipates," "estimates," "projects," "intends," "should" or similar expressions. 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. Aecon assumes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

FINANCIAL REPORTING STANDARDS

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting."

NON-GAAP AND ADDITIONAL GAAP FINANCIAL MEASURES

The MD&A presents certain non-GAAP and additional GAAP (GAAP refers to Canadian Generally Accepted Accounting Principles) financial measures to assist readers in understanding the Company's performance. These non-GAAP 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 additional GAAP measures to analyze and evaluate operating performance. Aecon also believes the non-GAAP and additional GAAP financial measures 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. The most directly comparable measures calculated in accordance with GAAP are profit (loss) attributable to shareholders or earnings (loss) per share.

Throughout this MD&A, 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.

Non-GAAP Financial Measures

Non-GAAP financial measures are measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with GAAP in the consolidated financial statements.

- **"Adjusted EBITDA"** represents operating profit (loss) adjusted to exclude depreciation and amortization, the gain (loss) on sales of assets and investments, restructuring costs, gain (loss) on mark-to-market adjustments related to the Company's long-term incentive plan ("LTIP") program, and net income (loss) from projects accounted for using the equity method, but including "JV EBITDA" from projects accounted for using the equity method.
- **"JV EBITDA"** represents Aecon's proportionate share of the earnings or losses from projects accounted for using the equity method before depreciation and amortization, net financing expense and income taxes.
- **"Adjusted EBITDA margin"** represents Adjusted EBITDA as a percentage of revenue.
- **"Adjusted profit (loss)"** represents the profit (loss) adjusted to exclude the after-tax fair value gain (loss) on the embedded derivative portion of convertible debentures.
- **"Adjusted earnings (loss) per share"** represents earnings (loss) per share calculated using Adjusted profit (loss).
- **"Backlog"** means the total value of work that has not yet been completed that: (a) has a high certainty of being performed as a result of the existence of an executed contract or work order specifying job scope, value and timing; or (b) has been awarded to Aecon, as evidenced by an executed binding letter of intent or

agreement, describing the general job scope, value and timing of such work, and where the finalization of a formal contract respecting such work is reasonably assured.

Additional GAAP Financial Measures

Additional GAAP financial measures are presented on the face of the Company's consolidated statements of income and are not meant to be a substitute for other subtotals or totals presented in accordance with International Financial Reporting Standards ("IFRS"), but rather should be evaluated in conjunction with such IFRS measures.

- **"Gross profit"** represents revenue less direct costs and expenses. Not included in the calculation of gross profit are marketing, general and administrative expenses ("MG&A"), depreciation and amortization, income or losses from construction projects accounted for using the equity method, foreign exchange, interest, gains or losses on the sale of assets, income taxes, and non-controlling interests.
- **"Gross profit margin"** represents Gross profit as a percentage of revenue.
- **"Operating profit (loss)"** represents the profit (loss) from operations, before net financing expense, income taxes and non-controlling interests.
- **"Operating margin"** represents Operating profit (loss) as a percentage of revenue.

BUSINESS STRATEGY

The reader is referred to the discussion on Business Strategy as outlined in the MD&A in the 2014 Annual Report available on the Company's website at www.aecon.com or through SEDAR at www.sedar.com.

CONSOLIDATED FINANCIAL HIGHLIGHTS

$ millions (except per share amounts)	Three months ended June 30				Six months ended June 30			
		2015		2014 [1]		**2015**		2014 [1]
Revenue	$	**667.3**	$	**589.6**	$	**1,168.8**	$	**1,051.4**
Gross profit		57.9		44.0		94.8		76.9
Marketing, general and administrative expenses		(42.2)		(43.9)		(87.3)		(88.2)
Income from projects accounted for using the equity method		6.9		6.6		15.2		13.9
Foreign exchange gain (loss)		0.7		0.1		(0.1)		0.6
Gain (loss) on sale of assets and investments		0.4		(0.5)		(0.2)		(0.6)
Gain on disposal of a subsidiary		14.1		-		14.1		-
Restructuring costs		-		-		-		(2.6)
Loss on mark-to-market of LTIP program		(1.3)		-		(1.2)		-
Depreciation and amortization		(16.7)		(14.1)		(33.7)		(31.0)
Operating profit (loss)		**19.8**		**(7.8)**		**1.6**		**(31.0)**
Financing expense, net		(7.2)		(11.3)		(14.6)		(22.5)
Fair value gain on convertible debentures		0.2		2.3		0.1		0.6
Profit (loss) before income taxes		**12.8**		**(16.8)**		**(12.9)**		**(52.9)**
Income tax recovery (expense)		(0.4)		4.6		8.3		14.8
Profit (loss)	$	**12.4**	$	**(12.2)**	$	**(4.6)**	$	**(38.1)**
Profit (loss)	$	**12.4**	$	**(12.2)**	$	**(4.6)**	$	**(38.1)**
Exclude:								
Fair value gain on convertible debentures		**(0.2)**		**(2.3)**		**(0.1)**		**(0.6)**
Income tax on fair value gain/loss		**-**		**0.6**		**-**		**0.2**
Adjusted profit (loss)	$	**12.2**	$	**(13.9)**	$	**(4.7)**	$	**(38.5)**
Gross profit margin		**8.7%**		**7.5%**		**8.1%**		**7.3%**
MG&A as a percent of revenue		**6.3%**		**7.4%**		**7.5%**		**8.4%**
Adjusted EBITDA		**29.9**		**13.9**		**36.4**		**17.0**
Adjusted EBITDA margin		**4.5%**		**2.4%**		**3.1%**		**1.6%**
Operating margin		**3.0%**		**(1.3)%**		**0.1%**		**(2.9)%**
Earnings (loss) per share - basic	$	**0.22**	$	**(0.23)**	$	**(0.08)**	$	**(0.72)**
Earnings (loss) per share - diluted	$	**0.21**	$	**(0.23)**	$	**(0.08)**	$	**(0.72)**
Adjusted earnings (loss) per share - basic	$	**0.22**	$	**(0.26)**	$	**(0.08)**	$	**(0.72)**
Adjusted earnings (loss) per share - diluted	$	**0.21**	$	**(0.26)**	$	**(0.08)**	$	**(0.72)**
Backlog					$	**2,589**	$	**2,690**

(1) Certain comparative amounts for 2014 have been reclassified to conform to the presentation adopted in the current year. For more information, refer to Note 29 of the June 30, 2015 interim condensed consolidated financial statements.

Revenue for the three and six months ended June 30, 2015 was higher by $78 million and $117 million, respectively, compared to the same periods in 2014. During both periods, revenue was higher across all three major operating segments. The largest increase occurred in the Mining segment, with revenue higher by $41 million and $71 million, respectively, for the three and six months ended June 30, 2015 largely due to higher

volume of site installation work in the commodity mining sector. In the Infrastructure segment, revenue was higher by $33 million and $43 million, respectively, for the three and six months ended June 30, 2015 with the largest increases occurring in transportation and heavy civil operations. Revenue was also higher in the Energy segment by $5 million and $7 million, respectively, for the three and six months ended June 30, 2015 as higher revenue from industrial operations in Central and Western Canada was partly offset by lower revenue in utilities operations due to lower volume from pipeline projects in Western Canada and by lower revenue from Innovative Steam Technologies ("IST"), which was sold to Fulcrum Capital Partners on April 10, 2015.

Operating profit of $19.8 million for the three months ended June 30, 2015 improved by $27.6 million compared to an operating loss of $7.8 million in the same period in 2014, while operating profit for the six months ended June 30, 2015 of $1.6 million improved by $32.6 million when compared to an operating loss of $31.0 million in the same period last year.

Contributing to the increase in operating profit during the second quarter of 2015 was an increase in gross profit of $13.9 million when compared to the same period in 2014. The largest increase in gross profit occurred in the Mining segment ($14.0 million) due primarily to higher volume and gross profit margin in the commodity mining sector and higher gross profit margin in contract mining operations. Gross profit also increased in the Infrastructure segment ($9.0 million) mainly from higher volume and higher gross profit margin in transportation operations and improved equipment utilization. Partially offsetting the higher gross profit in the Mining and Infrastructure segments was lower gross profit in the Energy segment ($9.0 million) due primarily to lower volume in utilities operations as well as lower gross profit in industrial operations because of the sale of IST in April 2015.

An increase in gross profit of $18.0 million contributed to the increase in operating profit of $32.6 million for the six months ended June 30, 2015. Consistent with quarter-over-quarter results, increases in gross profit from the Mining ($23.6 million) and Infrastructure segments ($11.2 million) were partially offset with lower gross profit from the Energy segment ($16.2 million). Gross profit in the Mining segment increased for the same reasons cited above in the quarterly analysis. Higher gross profit in Infrastructure was due to higher volume and gross profit margin in transportation operations, higher volume in heavy civil operations and higher gross profit margin on mechanical work in social infrastructure operations. In the Energy segment, in addition to lower volume in utilities operations and the impact of the sale of IST, lower gross profit in the first six months of 2015 was also due to lower gross profit margin from industrial operations in Eastern Canada.

Marketing, general and administrative expenses ("MG&A") decreased by $1.6 million in the second quarter of 2015 compared to the second quarter of 2014 and MG&A as a percentage of revenue decreased to 6.3% from 7.4%. In the first six months of 2015, MG&A decreased by $0.9 million compared to the same period in 2014 and MG&A as a percentage of revenue decreased to 7.5% from 8.4%. The quarter-over-quarter decrease in MG&A was driven primarily by lower personnel costs following an organizational restructuring that occurred in the fourth quarter of 2014 and lower bid costs in the Infrastructure segment. For the year-to-date period, lower personnel costs were partially offset by higher bid costs associated with increased bid activity in the first quarter of 2015 in the Infrastructure and Concessions segments. Lower MG&A as a percentage of revenue in the three and six-month periods ended June 30, 2015 reflects the above reduction in MG&A costs as well as higher revenue in 2015 compared to the same period in 2014.

Aecon's participation in projects which are classified for accounting purposes as a joint venture or an associate, as opposed to a joint operation, are accounted for using the equity method of accounting. In the second quarter

of 2015, Aecon reported a profit of $6.9 million from projects accounted for using this method of accounting, an increase of $0.3 million as compared to the second quarter of 2014. Increases from projects in transportation operations within the Infrastructure segment ($0.9 million) more than offset a decrease in the Concessions segment ($0.6 million) from lower reported income from the Quito airport concession operations. Income was lower in Concessions as a result of Aecon entering into an agreement on June 8, 2015 to sell its 45.5% share in the Quito airport concession operations to Grupo Odinsa S.A. and CCR S.A. As Aecon's investment in Quiport is expected to be recovered through this sale transaction, the Company is presenting, on a prospective basis, this investment as "held for sale" on its interim consolidated balance sheet. Therefore, equity accounting ceased from the point the joint venture was classified as held for sale (June 8, 2015). For the six months ended June 30, 2015, profit of $15.2 million increased by $1.3 million as compared to the same period in the prior year primarily from higher income from Quito airport concession operations prior to its classification as held for sale.

For the three and six months ended June 30, 2015, Aecon realized a gain on the disposal of a subsidiary of $14.1 million as a result of the sale on April 10, 2015 of its wholly owned subsidiary IST. The gain and the financial results of IST for the three and six-month periods are reported in the Energy segment.

Restructuring costs of $2.6 million for the six months ended June 30, 2014 were the result of the closure of the buildings business unit in Seattle within the Infrastructure segment.

For the three and six month periods ended June 30, 2015, the mark-to market loss related to the long-term incentive plan ("LTIP") that results from remeasuring both the LTIP liability and related total return swaps at fair value at each reporting date was $1.3 million and $1.2 million, respectively compared to $nil in both periods in 2014. For more information, refer to Note 20 of the June 30, 2015 interim condensed consolidated financial statements.

Depreciation and amortization expense of $16.7 million in the second quarter of 2015 was $2.6 million higher than in the second quarter of 2014. For the six month period ended June 30, 2015, depreciation and amortization expense of $33.7 million increased by $2.7 million when compared to the same period last year. The increase in both periods occurred largely in contract mining operations within the Mining segment as a result of increased heavy equipment utilization from projects in Alberta.

Financing charges, net of interest income, of $7.2 million in the second quarter of 2015 were $4.2 million lower than the same period in 2014, and financing charges, net of interest income, of $14.7 million for the first six months of 2015 were $7.8 million lower than the same period last year, both due primarily to lower interest expense on convertible debentures that were repaid in the third quarter of 2014.

The terms of the Company's convertible debentures that mature in 2015 include an option for holders to convert prior to the maturity date and allow the Company the option to settle the conversion in cash (or a combination of cash and common shares) unless a holder expressly indicates in the conversion notice that they do not wish to receive cash. The holder's option to convert is treated as a derivative liability, which is measured at fair value at each reporting period, with gains and losses flowing through profit or loss. In the second quarter of 2015, the gain from fair valuing the embedded derivative within Aecon's convertible debentures was $0.2 million compared to a gain of $2.3 million in the same period in 2014, and for the first six months of 2015, the fair value gain was $0.1 million compared to a gain of $0.6 million in the same period of 2014. For more information, refer to Note 16 of the June 30, 2015 interim condensed consolidated financial statements.

Set out in Note 17 of the June 30, 2015 interim condensed consolidated financial statements is a reconciliation between the expected income tax recovery (expense) for the first six months of 2015 and 2014 based on statutory income tax rates and the actual income tax recovery (expense) reported for both these periods.

Backlog as at June 30, 2015 of $2,589 million compares to backlog of $2,690 million as at June 30, 2014. New contract awards of $469 million were booked in the second quarter of 2015 compared to $1,101 million in the same period of 2014. New contract awards of $1,104 million were booked in the first six months of 2015 compared to $1,969 million in the same period of 2014. Further details of backlog for each of the segments are included in the discussion below under Reporting Segments.

Backlog **$ millions**	**As at June 30**	
	2015	2014
Infrastructure	**$ 1,295**	$ 1,486
Energy	**812**	937
Mining	**482**	267
Consolidated	**$ 2,589**	$ 2,690

Backlog duration, representing the expected period during which backlog on hand will be converted into revenue, is included in the table below:

Estimated backlog duration **$ millions**	**As at June 30**			
	2015		2014	
Next 12 months	**$ 1,822**	**70%**	$ 1,628	61%
Next 13-24 months	**639**	**25%**	727	27%
Beyond	**128**	**5%**	335	12%
	$ 2,589	**100%**	$ 2,690	100%

Aecon does not report, as backlog, the significant number of contracts and arrangements in hand where the exact amount of work to be performed cannot be reliably quantified or where a minimum number of units at the contract specified price per unit is not guaranteed. Examples include time and material and some cost-plus and unit priced contracts where the extent of services to be provided is undefined or where the number of units cannot be estimated with reasonable certainty. Other examples include the value of construction work managed under construction management advisory contracts, concession agreements, multi-year operating and maintenance service contracts where the value of the work is not specified, supplier of choice arrangements and alliance agreements where the client requests services on an as-needed basis. None of the expected revenue from these types of contracts and arrangements is included in backlog. Therefore, Aecon's effective backlog at any given time is greater than what is reported.

Reported backlog includes the revenue value of backlog that relates to projects that are accounted for using the equity method. The equity method reports a single amount (revenue less expenses) on Aecon's consolidated statement of income, and as a result the revenue component of backlog for these projects is not included in Aecon's reported revenue.

Further details for each of the segments are included in the discussion below under Reporting Segments.

REPORTING SEGMENTS

INFRASTRUCTURE

Financial Highlights

$ millions	Three months ended June 30				Six months ended June 30			
	2015		2014 (1)		**2015**		2014 (1)	
Revenue	**$**	**224.2**	$	191.1	**$**	**340.8**	$	297.6
Gross profit	**$**	**18.9**	$	9.9	**$**	**17.7**	$	6.5
Adjusted EBITDA	**$**	**7.8**	$	(4.8)	**$**	**(9.5)**	$	(21.6)
Operating profit (loss)	**$**	**3.7**	$	(8.9)	**$**	**(17.3)**	$	(32.1)
Gross profit margin		**8.4%**		5.2%		**5.2%**		2.2%
Adjusted EBITDA margin		**3.5%**		(2.5)%		**(2.8)%**		(7.2)%
Operating margin		**1.7%**		(4.7)%		**(5.1)%**		(10.8)%
Backlog					**$**	**1,295**	$	1,486

(1) Certain comparative amounts for 2014 have been reclassified to conform to the presentation adopted in the current year.

In the second quarter of 2015, revenue in the Infrastructure segment of $224 million was $33 million, or 17%, higher than the same period last year. The largest increase occurred in transportation operations ($31 million) due to a higher volume of road building work in Ontario and Western Canada. Revenue was also higher in heavy civil operations ($5 million) due to the ramp up of work from project awards received in 2014 in the heavy civil transportation sector in Ontario and in the power sector in Western Canada that were in the initial stages of commencement in the second quarter of 2014. However, revenue was lower in social infrastructure operations ($3 million) due to a lower volume of buildings work in Ontario and Western Canada, which more than offset a higher volume of mechanical work largely in the water and wastewater treatment sector.

For the six months ended June 30, 2015, revenue in the Infrastructure segment was $43 million, or 15%, higher than in the same period in 2014. Revenue was higher in both transportation ($33 million) and heavy civil operations ($24 million) for the same reasons cited above. These increases were partially offset by lower revenue from social infrastructure operations ($14 million) due to lower volume of buildings work in Ontario and a lower volume of mechanical work in Western Canada.

In the second quarter of 2015, operating profit in the Infrastructure segment of $3.7 million improved by $12.6 million compared to an operating loss of $8.9 million in the same period in 2014. The majority of the quarter-over-quarter improvement occurred in transportation operations due to higher volume and higher gross profit margin from work executed and increased equipment utilization. Operating profit also increased in social infrastructure operations despite lower revenues due primarily to higher gross profit margin from mechanical

work in the water and wastewater treatment sector that more than offset the reduction in operating profit from lower margin buildings work. To a lesser extent, operating profit also increased in heavy civil operations during the quarter due largely to lower bid costs.

For the six months ended June 30, 2015, operating loss in the Infrastructure segment of $17.3 million improved by $14.8 million compared to an operating loss of $32.1 million in the same period in 2014. The largest improvement occurred in social infrastructure operations due to higher gross profit margin from mechanical operations, the period-over-period impact of a $2.6 million restructuring cost incurred during the first quarter of 2014 as a result of the closure of the Seattle buildings business unit, as well as lower MG&A costs associated with the organizational restructuring that occurred in the fourth quarter of 2014. Higher operating profit in transportation operations was due to higher volume and higher gross profit margin and an increase in operating profit in heavy civil operations was due primarily to higher volume.

Infrastructure backlog at June 30, 2015 was $1,295 million, which is $190 million lower than the same time last year. The largest year-over-year decrease in backlog occurred in social infrastructure operations ($114 million) due mainly to lower backlog in buildings operations. Backlog was also lower in heavy civil operations ($101 million) due to the work off of projects over the past twelve months. Partially offsetting these decreases in backlog was higher backlog in transportation operations ($25 million) due largely to the impact of several large project awards received in the second half of 2014. New contract awards totalled $190 million in the second quarter of 2015 and $374 million year-to-date, compared to $400 million and $963 million, respectively, in the prior year. The decrease in new awards was due mainly to the impact in the first six months of 2014 of several significant awards across all three sectors within the Infrastructure segment.

As discussed in the Consolidated Financial Highlights section, the Infrastructure segment's effective backlog at any given time is greater than what is reported.

ENERGY

Financial Highlights

$ millions	Three months ended June 30		Six months ended June 30	
	2015	2014 [1]	**2015**	2014 [1]
Revenue	$ **299.2**	$ 294.1	$ **549.6**	$ 542.3
Gross profit	$ **22.3**	$ 31.3	$ **33.9**	$ 50.2
Adjusted EBITDA	$ **8.1**	$ 18.1	$ **4.2**	$ 21.9
Operating profit	$ **18.7**	$ 14.8	$ **11.0**	$ 15.0
Gross profit margin	**7.5%**	10.6%	**6.2%**	9.3%
Adjusted EBITDA margin	**2.7%**	6.1%	**0.8%**	4.0%
Operating margin	**6.2%**	5.0%	**2.0%**	2.8%
Backlog			$ **812**	$ 937

(1) Certain comparative amounts for 2014 have been reclassified to conform to the presentation adopted in the current year.

On April 10, 2015, Aecon sold its wholly owned subsidiary, Innovative Steam Technologies Inc. ("IST"), to Fulcrum Capital Partners. Gross cash proceeds of the sale were $35 million, with potential additional proceeds over the following two years contingent on IST achieving certain earn-out conditions based on performance. For both the three and six months ended June 30, 2015, a gain of $14.1 million was included in operating profit. IST designs, engineers, manufactures and installs Once Through Steam Generators ("OTSGs") for the power generation and enhanced oil recovery industries. The financial results of IST are reported in the Energy segment.

Revenue in the second quarter of 2015 of $299 million in the Energy segment was $5 million, or 2%, higher than in the same period in 2014 with higher revenue in industrial operations ($69 million) largely offset by lower revenue in utilities operations ($64 million). In industrial operations, revenue was higher in Western Canada ($51 million) primarily as a result of several significant fabrication and module assembly awards in the resources sector and higher site construction volume in the resources and power generation sectors. Industrial revenue also increased in Central Canada ($35 million) mainly from additional work in the power and gas distribution sectors. However, revenue in industrial operations was negatively impacted by the sale of IST ($19 million) during the second quarter of 2015. The reduction in revenue from utilities operations was due to lower volume from pipeline projects in Western Canada.

For the six months ended June 30, 2015, Energy segment revenue of $550 million was $7 million, or 1%, higher compared to revenue of $542 million for the six months ended June 30, 2014. For the same reasons cited above, higher revenue in industrial for the year-to-date period ($133 million) was largely offset by lower revenue in utilities ($126 million).

In the second quarter of 2015, operating profit of $18.7 million increased by $3.9 million when compared to the same period last year. The increase in operating profit was due to a $14.1 million gain on the sale of IST reported in industrial operations, partially offset by lower operating profit from IST period-over-period as a result of the sale. Excluding the impact of IST, overall operating profit in industrial operations increased, primarily due to higher volume in Central and Western Canada. The higher operating profit in industrial was offset by a decrease in operating profit in utilities operations, which was primarily volume driven.

For the six months ended June 30, 2015, operating profit of $11.0 million decreased by $4.0 million when compared to the same period last year. The majority of the decrease in operating profit occurred in utilities operations due to lower pipeline volume in Western Canada and from lower gross profit margin in Ontario due to the impact on productivity of colder than average winter temperatures in the first quarter of 2015. Partially offsetting this decrease was increased operating profit in industrial operations due largely to the gain on sale of IST ($14.1 million) offset by lower operating profit from IST in the year-to-date period as a result of the sale. Excluding the impact of IST, operating profit in industrial operations decreased slightly despite higher revenue primarily due to lower gross profit margin in the power sector and from fabrication work in Atlantic Canada where extreme weather conditions to start the year impacted timing of work and productivity.

Backlog at June 30, 2015 of $812 million was $126 million lower than the same time last year, with reductions in both utilities ($86 million) and industrial operations ($40 million). Backlog was lower in utilities operations primarily in Western Canada due to work off of pipeline projects. Excluding the reduction in backlog attributed to the sale of IST ($41 million), backlog in industrial operations was relatively unchanged year-over-year as higher backlog in Western Canada from both fabrication and site construction projects ($80 million) was offset by a decrease in Central Canada ($70 million) and in Atlantic Canada ($12 million). New contract awards of

$118 million in the second quarter of 2015 were $293 million lower than in the same period in 2014, and new awards of $406 million for the first six months of 2015 were $198 million lower than in the same period in 2014. The decrease in new awards for the quarter and for the year-to-date period reflects the impact of fewer new awards from utilities operations in Western Canada and lower awards in industrial operations from the power sector, as well as the impact on awards from the sale of IST.

As discussed in the Consolidated Financial Highlights section, the Energy segment's effective backlog at any given time is greater than what is reported.

MINING

Financial Highlights

$ millions	Three months ended June 30		Six months ended June 30	
	2015	2014 [1]	**2015**	2014 [1]
Revenue	$ **147.7**	$ 106.9	$ **285.3**	$ 214.4
Gross profit	$ **17.0**	$ 2.9	$ **44.1**	$ 20.5
Adjusted EBITDA	$ **11.0**	$ (3.7)	$ **31.7**	$ 8.2
Operating profit (loss)	$ **4.4**	$ (9.6)	$ **16.7**	$ (5.2)
Gross profit margin	**11.5%**	2.7%	**15.5%**	9.6%
Adjusted EBITDA margin	**7.4%**	(3.5)%	**11.1%**	3.8%
Operating margin	**3.0%**	(8.9)%	**5.9%**	(2.4)%
Backlog			$ **482**	$ 267

(1) Certain comparative amounts for 2014 have been reclassified to conform to the presentation adopted in the current year.

Revenue of $148 million in the Mining segment for the three months ended June 30, 2015 was $41 million, or 38%, higher than in the same period in 2014. The majority of the increase ($44 million) was due to a higher volume of site installation work in the commodity mining sector largely from potash projects. Revenue from contract mining operations was also higher ($4 million) due to continued site development work related to a 2014 award at the Fort Hills project in Alberta. Revenue from civil and foundations work related to mining projects in the second quarter of 2015 was lower ($7 million) compared to the same period in 2014 due primarily to lower volume in Western Canada.

For the six months ended June 30, 2015, Mining segment revenue of $285 million was $71 million, or 33%, higher compared to revenue of $214 million in the comparative period last year. Similar to the second quarter, higher revenue was due largely to an increase in volume in the commodity mining sector ($84 million). Partially offsetting this increase was lower revenue from contract mining ($5 million) where higher revenue from work at the Fort Hills project in Alberta was more than offset by reduced volume from other traditional contract mining work. Revenue from civil and foundations work related to mining projects also decreased ($8 million) in the year-to-date period when compared to the same period last year.

In the second quarter of 2015, operating profit of $4.4 million improved by $14.0 million when compared to an operating loss of $9.6 million in the same period in 2014. Year-to-date operating profit of $16.7 million improved by $22.0 million when compared to an operating loss of $5.2 million in the same period last year.

Operating profit improved in all three sectors within the Mining segment for both the three and six-month periods ended June 30, 2015. Operating profit in the commodity mining sector increased when compared to the same periods last year due to higher volume and higher gross profit margin, and operating profit in contract mining operations in both periods increased due to higher gross profit margin as a result of a more favourable mix of work and better site conditions for unit rate reclamation work when compared to the same period in 2014. In civil and foundations work, operating profit increased in the second quarter and year-to-date periods due to higher gross profit margin from ongoing projects, which more than offset lower income from projects reported under the equity method.

Backlog at June 30, 2015 of $482 million was $215 million higher than the same time last year. Backlog increased in the commodity mining sector ($233 million) primarily due to project awards for site installation work related to potash projects and in civil and foundations operations ($49 million) from awards in the resources sector in Eastern Canada. These increases were partially offset by a decrease in backlog in contract mining operations ($68 million) largely due to work completed on the Fort Hills project in Alberta. New contract awards of $164 million in the second quarter of 2015 were $130 million lower than in the same period in 2014, and new awards of $331 million for the first six months of 2015 were $73 million lower than in the same period in 2014. The decrease in the first half of the year was largely due to a reduction in new awards for contract mining work in the oil sands when compared to the same period last year, partially offset by the above noted new awards in the commodity mining sector and civil and foundations operations.

As discussed in the Consolidated Financial Highlights section, the Mining segment's effective backlog at any given time is greater than what is reported.

CONCESSIONS

Financial Highlights

$ millions	Three months ended June 30				Six months ended June 30			
	2015		2014		**2015**		2014	
Revenue	$	**0.7**	$	0.8	$	**1.3**	$	1.4
Gross profit	$	**(0.3)**	$	(0.2)	$	**(0.9)**	$	(0.4)
Income from projects accounted for using the equity method	$	**5.6**	$	6.2	$	**13.9**	$	11.7
Adjusted EBITDA	$	**9.8**	$	12.1	$	**23.7**	$	23.8
Operating profit	$	**3.6**	$	5.1	$	**10.2**	$	9.7

Aecon entered into an agreement on June 8, 2015 to sell its 45.5% share in the Quito airport concession operations for US$232.6 million. The transaction remains subject to formal third party approvals including anti-trust and lender approvals. As Aecon's investment in Quiport is expected to be recovered through this sale transaction, this investment is presented, on a prospective basis, as an asset "held for sale" on the consolidated balance sheet as at June 30, 2015. In addition, equity accounting ceased from the point the joint venture was classified as held for sale. Therefore, results from the Quito airport concessionaire subsequent to June 8, 2015 have not been reported within the Concessions segment, thereby impacting the segment's results for the three and six-month period ended June 30, 2015 when compared to the same periods in the prior year.

Revenue reported in the Concessions segment for the three months ended June 30, 2015 and 2014, was $0.7 million and $0.8 million, respectively, while revenue for the six months ended June 30, 2015 and 2014, was $1.3 million and $1.4 million, respectively.

For the three months ended June 30, 2015, operating profit of $3.6 million decreased by $1.5 million when compared to the same period last year. The decline in operating profit quarter-over-quarter was due to a reduced contribution from the Quito airport concessionaire for the reasons cited above, and higher professional fees and higher bid costs related to submitted and ongoing bids. For the six months ended June 30, 2015, operating profit of $10.2 million was $0.6 million higher when compared to the same period in 2014. Higher operating profit from the Quito airport concessionaire due to higher international passenger traffic and the favourable impact of the appreciation of the United States dollar relative to the Canadian dollar during the period more than offset higher bid costs, higher professional fees and the impact on operating profit of the treatment of the Quito airport concessionaire as an asset held for sale.

Aecon does not include in its reported backlog expected revenue from operations management contracts and concession agreements. As such, while Aecon expects future revenue from its concession assets, no concession backlog is reported.

Quarterly Financial Data

Set out below is quarterly financial data for the most recent eight quarters:

$ millions (except per share amounts)

	2015		2014				2013	
	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3
Revenue	$ 667.3	$ 501.5	$ 722.2	$ 840.4	$ 589.6	$ 461.9	$ 906.2	$ 897.3
Adjusted EBITDA	29.9	6.5	75.9	77.3	13.9	3.1	79.1	79.5
Earnings (loss) before income taxes	12.8	(25.7)	36.9	51.3	(16.8)	(36.0)	36.7	45.1
Profit (loss)	12.4	(17.0)	28.6	39.5	(12.2)	(25.9)	28.2	34.4
Adjusted profit (loss)	12.2	(17.0)	27.3	33.1	(13.9)	(24.7)	33.6	36.5
Earnings (loss) per share:								
Basic	0.22	(0.30)	0.51	0.73	(0.23)	(0.49)	0.54	0.65
Diluted	0.21	(0.30)	0.39	0.49	(0.23)	(0.49)	0.48	0.53
Adjusted earnings (loss) per share:								
Basic	0.22	(0.30)	0.49	0.61	(0.26)	(0.47)	0.64	0.69
Diluted	0.21	(0.30)	0.39	0.49	(0.26)	(0.47)	0.50	0.53

Set out below is the calculation of Adjusted EBITDA for the most recent eight quarters:

$ millions

	2015		2014				2013	
	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3
Operating profit (loss)	$ 19.8	$ (18.2)	$ 40.9	$ 53.8	$ (7.8)	$ (23.2)	$ 54.6	$ 57.6
Depreciation and amortization	16.7	17.0	17.3	15.3	14.1	16.8	16.3	15.0
(Gain) loss on sale of assets and investments	(0.4)	0.7	0.1	0.3	0.5	-	0.9	-
Gain on disposal of a subsidiary	(14.1)	-	-	-	-	-	-	-
Restructuring costs	-	-	6.5	-	-	2.6	-	-
(Gain) loss on mark-to-market of LTIP program	1.3	(0.2)	2.6	0.6	-	-	-	-
Income from projects accounted for using the equity method	(6.9)	(8.3)	(10.9)	(8.2)	(6.6)	(7.3)	(11.3)	(9.5)
JV EBITDA	13.5	15.5	19.4	15.5	13.6	14.2	18.7	16.5
Adjusted EBITDA	$ 29.9	6.5	$ 75.9	$ 77.3	$ 13.9	$ 3.1	$ 79.1	$ 79.5

Set out below is the calculation of JV EBITDA for the most recent eight quarters:

$ millions

Aecon's proportionate share of projects accounted for using the equity method (1)	2015		2014				2013	
	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3
Operating profit	$ 10.7	$ 11.4	$ 15.7	$ 11.9	$ 10.0	$ 10.6	$ 15.2	$ 13.2
Depreciation and amortization	2.8	4.1	3.7	3.6	3.6	3.7	3.5	3.3
JV EBITDA	13.5	15.5	19.4	15.5	13.6	14.2	18.7	16.5

(1) Refer to Note 9 "Projects Accounted for Using the Equity Method" in the June 30, 2015 interim condensed consolidated financial statements

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Aecon's participation in joint arrangements classified as joint operations is accounted for in the consolidated financial statements by reflecting, line by line, Aecon's share of the assets held jointly, liabilities incurred jointly, and revenue and expenses arising from the joint operations.

Aecon's participation in joint arrangements classified as joint ventures, including Quiport JV until it was classified as held for sale in June 2015, as well as Aecon's participation in project entities where Aecon exercises significant influence over the entity, but does not control or jointly control the entity (i.e., associates), is accounted for using the equity method.

For further information, see Note 9 to the June 30, 2015 interim condensed consolidated financial statements.

Cash and Debt Balances

Cash balances at June 30, 2015 and December 31, 2014 are as follows:

$ millions		June 30, 2015		
		Balances excluding Joint Operations	Joint Operations	Consolidated Total
Cash and cash equivalents	(1)	$ -	$ 106	$ 106
Restricted cash	(2)	5	-	5
Bank indebtedness	(3)	(87)	-	(87)
		December 31, 2014		
		Balances excluding Joint Operations	Joint Operations	Consolidated Total
Cash and cash equivalents	(1)	$ 32	$ 107	$ 139
Restricted cash	(2)	4	-	4

(1) Cash and cash equivalents includes cash on deposit in bank accounts of joint operations which Aecon cannot access directly.

(2) Restricted cash includes cash that is deposited as collateral for letters of credit issued by Aecon.

(3) Bank indebtedness represents borrowings on Aecon's revolving credit facility.

Total long-term debt of $424.7 million as at June 30, 2015 compares to $444.9 million as at December 31, 2014, the composition of which is as follows:

$ millions				
		June 30, 2015		December 31, 2014
Current portion of long-term debt	**$**	**71.0**	$	83.2
Current portion of convertible debentures		**91.6**		90.8
Long-term debt		**103.0**		113.6
Convertible debentures		**159.1**		157.3
Total long-term debt	**$**	**424.7**	$	444.9

The $20.2 million decrease in total long-term debt results primarily from repayments related to finance leases ($10.2 million) and equipment and other loans ($12.7 million). Convertible debentures increased by $2.6 million during the first six months of 2015 as a $2.7 million increase related to the accretion of notional interest on both the 2015 and 2018 convertible debentures was partially offset by a $0.1 million decrease in the fair value attributed to the embedded derivative component of the convertible debenture maturing in 2015.

Aecon's liquidity position and capital resources are expected to be sufficient to finance its operations and working capital requirements for the foreseeable future. Aecon's liquidity position is strengthened by its ability to draw on a committed revolving credit facility of $400 million of which $274 million was unutilized as of June 30, 2015. When combined with an additional $500 million letter of credit facility provided by Export Development Canada ("EDC"), Aecon's total committed credit facilities for working capital and letter of credit requirements are $900 million. In the first quarter of 2015, the expiry date of the above noted revolving credit facility was extended to March 2019 from August 2016 and in the second quarter of 2015 the available amount of credit was increased from $300 million to $400 million. In the first six months of 2015, the size of the above noted EDC domestic letter of credit facility was increased from $250 million to $500 million while a US$15 million international letter of credit facility was discontinued as a result of the sale of IST. As at June 30, 2015, Aecon was in compliance with all debt covenants related to its credit facility.

On October 31, 2015, $92 million of convertible debentures are due to mature. At the holder's option, the 2015 convertible debentures may be converted into common shares of the Company at any time up to the maturity date at a conversion price of $19.00 for each common share, subject to adjustment in certain circumstances. Subject to specified conditions, Aecon may, at its option, redeem the 2015 convertible debentures through to the maturity date. The Company has the option to repay the outstanding principal amount of the 2015 convertible debentures with cash, shares, or a combination of cash and shares.

In the first quarter of 2015, Aecon's Board of Directors approved an increase in the dividend to be paid to all holders of Aecon common shares. Annual dividends increased to $0.40 per share, to be paid in four quarterly payments of $0.10 per share. Prior to this increase, Aecon paid an annual dividend of $0.36 per share ($0.09 each quarter). The first quarterly dividend payment of $0.10 per share was paid on April 1, 2015.

Summary Of Cash Flows

$ millions	Consolidated Cash Flows Six months ended June 30	
	2015	2014
Cash provided by (used in):		
Operating activities	**$ (90.2)**	$ (100.2)
Investing activities	**12.2**	(16.5)
Financing activities	**45.5**	(19.4)
(Decrease) in cash and cash equivalents	**(32.5)**	(136.1)
Effects of foreign exchange on cash balances	**0.1**	-
Cash and cash equivalents - beginning of period	**138.9**	240.6
Cash and cash equivalents - end of period	**$ 106.5**	$ 104.5

The construction industry in Canada is seasonal in nature for companies like Aecon who perform a significant portion of their work outdoors, particularly road construction and utilities work. As a result, a larger portion of this work is performed in the summer and fall months than in the winter and early spring months. Accordingly, Aecon has historically experienced a seasonal pattern in its operating cash flows, with cash balances typically being at their lowest levels in the middle of the year as investments in working capital increase. These seasonal impacts typically result in cash balances peaking near year end or during the first quarter of the year.

Operating Activities

Cash used in operating activities of $90 million in the first six months of 2015 compares with cash used in operating activities of $100 million in the same period in 2014. The $10 million period-over-period decrease in cash used in operating activities resulted from higher operating profit in the year-to-date period in 2015 when compared to the same period last year, partially offset by higher investments in working capital mainly in the Energy segment.

Investing Activities

In the first six months of 2015, cash provided by investing activities of $12 million compares to cash used of $17 million in the same period in 2014. The majority of the $29 million period-over-period change is due to net proceeds from the sale of IST of $26 million. In the first six months of 2015, $19 million of cash was used for expenditures (net of disposals) on property, plant and equipment and intangible assets compared to $25 million of cash used in the first six months of 2014. Cash distributions from projects accounted for using the equity method of $6 million in the year-to-date period compared to cash distributions of $8 million during the same period in 2014.

In the first six months of 2015, Aecon acquired, either through purchases or finance leases, property, plant and equipment totalling $17 million. Most of this investment in property, plant and equipment related to the purchase of new machinery and construction equipment as part of normal ongoing business operations in each operating segment. In the first six months of 2014, investments in property, plant and equipment totalled $22 million.

Financing Activities

In the first six months of 2015, cash provided by financing activities amounted to $45 million, compared to cash used in financing activities of $19 million in the same period in 2014. The increase in cash provided by financing activities was due largely to bank indebtedness associated with borrowings under the Company's revolving credit facility. Issuances of long-term debt in the first six months of 2015 amounted to $8 million, while repayments totalled $39 million, for a net outflow of $31 million. The majority of the debt borrowings related to the financing of expenditures related to software and equipment, while the majority of debt repayments related to equipment financing arrangements. In the first six months of 2014, net debt repayments totalled $14 million, relating primarily to equipment financing arrangements. Dividends of $11 million were paid in the first six months of 2015, compared to $10 million in the same period in 2014. There was no cash provided by the exercise of stock options in the first six months of 2015 compared to $3 million of cash provided in the same period in 2014.

NEW ACCOUNTING STANDARDS

New accounting standards impacting the Company in 2015 and beyond are described in Note 7 to the December 31, 2014 consolidated financial statements.

These new accounting standards had no significant impact on profit (loss), comprehensive income or earnings per share in the first six months of 2015.

SUPPLEMENTAL DISCLOSURES

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), together with management, have designed disclosure controls and procedures to provide reasonable assurance that material information with respect to the Company, including its consolidated subsidiaries, is made known to them by others and is recorded, processed, summarized and reported within the time periods specified in securities legislation. The CEO and CFO, together with management, have also designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. In designing such controls, it should be recognized that any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation and may not prevent or detect misstatements due to error or fraud.

Changes in Internal Controls over Financial Reporting

During the period beginning on April 1, 2015 and ending on June 30, 2015, the Company's internal controls over financial reporting changed as a result of the partial deployment of a new Enterprise Resource Planning ("ERP") implementation which has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting. The ERP implementation project is designed to replace many existing standalone applications with a common set of applications on a common platform in order to standardize processes, improve efficiencies, and improve overall controls and reporting. The implementation

project has resulted in the redesign of certain business processes, some of which related to internal controls over financial reporting and disclosure controls and procedures. The project is following a phased deployment schedule throughout 2015 and will become fully operational across the Company by the end of 2015. As at June 30, 2015, the new system was deployed across approximately half of the Company's operations. Implementing an ERP system on a widespread basis involves significant changes in business processes and extensive organizational training. The Company believes a phased-in approach reduces the risks associated with making these changes and believes it has and is taking the necessary steps to design, monitor and maintain appropriate internal controls during this transition period. These steps include deploying resources to mitigate internal control risks and performing additional verification and testing procedures to ensure data integrity.

Contractual Obligations

At December 31, 2014, the Company had commitments totalling $534 million for equipment and premises under operating leases requiring minimum payments, and for principal repayment obligations under long-term debt and convertible debentures. There have been no material changes since December 31, 2014.

At June 30, 2015, Aecon had contractual obligations to complete construction contracts that were in progress. The revenue value of these contracts was $2,589 million.

Further details on Contractual Obligations are included in the Company's 2014 Annual Report.

Off-Balance Sheet Arrangements

In connection with its operations in Quito, Aecon has provided various financial and performance guarantees and letters of credit, which are described in Note 19 to the June 30, 2015 interim condensed consolidated financial statements.

Aecon's defined benefit pension plans had a combined deficit of $4.0 million at June 30, 2015 (December 31, 2014 - $4.4 million). The defined benefit obligations and benefit cost levels will change as a result of future changes in the actuarial methods and assumptions, the membership data, the plan provisions and the legislative rules, or as a result of future experience gains or losses, none of which have been anticipated at this time. Emerging experience, differing from assumptions, will result in gains or losses that will be disclosed in future accounting valuations. Refer to the Company's 2014 Annual Report for further details regarding Aecon's defined benefit plans.

Further details of contingencies and guarantees are included in the June 30, 2015 interim condensed consolidated financial statements and in the 2014 Annual Report.

Related Party Transactions

There were no significant related party transactions in the first six months of 2015.

Critical Accounting Estimates

The reader is referred to the detailed discussion on Critical Accounting Estimates as outlined in Note 4 to the June 30, 2015 interim condensed consolidated financial statements.

RISK FACTORS

The reader is referred to the detailed discussion on Risk Factors as outlined in the Company's Annual Information Form dated March 30, 2015 and available through SEDAR at www.sedar.com. These risk factors could materially and adversely affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. These risks and uncertainties and risk management practices, which management reviews on a quarterly basis, have not materially changed in the period since March 30, 2015.

Outstanding Share Data

Aecon is authorized to issue an unlimited number of common shares. The following are details of common shares outstanding and securities that are convertible into common shares.

In thousands of dollars (except share amounts)		August 10, 2015
Number of common shares outstanding[1]		56,447,711
Outstanding securities exchangeable or convertible into common shares:		
Number of stock options outstanding		450,000
Number of common shares issuable on exercise of stock options		450,000
Increase in paid-up capital on exercise of stock options	$	5,214
Principal amount of convertible debentures outstanding (see Note 16 to the June 30, 2015 interim condensed consolidated financial statements)	$	259,364
Number of common shares issuable on conversion of convertible debentures		13,467,105
Increase in paid-up capital on conversion of convertible debentures	$	259,364

(1) The number of common shares outstanding as per the above table at August 10, 2015 includes 82,431 shares held by the trustee of Aecon's Long-Term Incentive Plan ("LTIP").

The number of common shares outstanding at August 10, 2015 for financial statement purposes, after deducting the above LTIP shares, was 56,365,280 shares.

OUTLOOK

Revenue in the second quarter of 2015 of $667 million, was 13% higher than the same period last year due to increased volume in all of the main operating segments of Infrastructure, Energy, and Mining. In addition to this growth in revenue, higher gross profit margin in the Infrastructure and Mining segments more than offset lower gross profit from the Energy segment in the quarter, leading to solid growth in Adjusted EBITDA, operating profit, and Adjusted Profit compared to the same period last year. Gross profit margin in the second quarter of 2015 increased to 8.7% compared to 7.5% in the second quarter of 2014 and Adjusted EBITDA margin of 4.5% in the second quarter compared to 2.4% in the same period last year.

In addition to progress on revenue and margins, Aecon's backlog remained strong at $2.59 billion down slightly from the record backlog of $2.79 billion achieved at the end of the first quarter and from $2.69 billion at the end of the same period last year. While markets tied to oil and commodity prices are expected to remain challenging in the current resource price environment, Aecon's backlog position, recurring revenues, and mix of work support a positive outlook for the remainder of the year.

Infrastructure segment backlog at the end of the second quarter was $1,295 million compared to $1,486 million at the same time last year. Backlog is expected to increase in the second half of the year due to the announcement subsequent to quarter end, that the $5.3 billion Eglinton Crosstown Light Rail Transit Project has been awarded to a consortium in which Aecon holds a 25% interest for the equity, development, construction and maintenance activities related to the project. Financial close for this Public Private Partnership was achieved in July, and therefore Aecon's 25% share of the project will be booked into backlog in the third quarter, with activity starting to gradually ramp up during the second half of 2015 and early 2016. Aecon is recognized for its expertise and capability to deliver large, complex, multi-disciplinary infrastructure projects and based on the current pipeline of projects being pursued expects to see further growth in this segment in 2015 and 2016. In addition, historically both the federal and provincial governments have tended to increase their infrastructure spending during periods of slow economic growth.

Backlog in the Energy segment decreased to $812 million at the end of the second quarter, a decrease of 13% compared to $937 million at the end of the same period last year due to lower utilities backlog in Western Canada from less pipeline work, and the sale of Aecon's wholly owned subsidiary Innovative Steam Technologies in April 2015. There is still uncertainty as to the timing and extent of any recovery in oil prices; however, we continue to bid and win work in the oil and gas sector. It should be noted that historically, the oil sector has contributed approximately 15 to 20 per cent of Aecon's total revenue. In the near term, existing backlog and recurring revenues in the Energy segment are expected to result in improved second half performance versus the prior year.

Backlog in the Mining segment at the end of the second quarter increased to $482 million compared to $267 million at the end of the same period last year. While commodity prices generally remain relatively soft, signs of interest in new development projects are still apparent as evidenced by two recent awards at the Rainy River gold project in Ontario. While contract mining operations in the oil sands are subject to some volume uncertainty due to the potential for reduced spending in the current environment, the current backlog and an increase in non-oil related work is expected to sustain the mining fleet in 2015, combined with strong expected performance from site installation operations.

The Concessions segment continues to partner with Aecon's other segments to focus on the significant number of Public Private Partnership opportunities in Canada, and is actively pursuing a number of large-scale infrastructure projects that require private finance solutions. On June 8, 2015, the Company announced the sale of Aecon's interest in the Quito International Airport concessionaire ("Quiport"), subject to certain closing conditions. As Aecon's investment in Quiport is expected to be recovered through this sale transaction, the Company will present, on a prospective basis, the investment in Quiport as an asset "held for sale" on its consolidated balance sheet and will no longer report its share of the earnings of Quiport in Aecon's consolidated statements of income.

On October 31, 2015, $92 million of convertible debentures are due to mature. The Company has the option to repay the outstanding principal amount of the convertible debentures with cash, shares or a combination of cash and shares. At this time, the intention is to repay in cash using the existing liquidity resources of the Company.

Aecon continues to be disciplined in responding to requests for its services, becoming pre-qualified, bidding, negotiating and carrying out work. The outlook for 2015 remains positive based on a strong backlog, additional recurring revenue agreements secured, and solid margin profile in each operating segment. All four segments continue to bid on opportunities that should further enhance the level of backlog and support the goal of continuing to improve Adjusted EBITDA margin. As usual, the second half of 2015 is expected to be stronger than the first half reflecting the typical seasonality of Aecon's work. Aecon's diversified portfolio of work, focus on execution, and strong financial resources continue to be key strengths in capitalizing on the opportunities ahead.

AECON GROUP INC.

SECOND QUARTER

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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MANAGEMENT REPORT
August 10, 2015

Notice to Reader

The management of Aecon Group Inc. (the “Company”) is responsible for the preparation of the accompanying interim condensed consolidated financial statements. The interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements including International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” and are considered by management to present fairly the consolidated financial position, operating results and cash flows of the Company.

These interim condensed consolidated financial statements have not been reviewed by an auditor. These interim consolidated financial statements are unaudited and include all adjustments, consisting of normal and recurring items, that management considers necessary for a fair presentation of the consolidated financial position, results of operations and cash flows of the Company.

(signed) Terrance L. McKibbon, President and Chief Executive Officer

(signed) David Smales, Executive Vice-President and Chief Financial Officer

CONSOLIDATED BALANCE SHEETS

AS AT JUNE 30, 2015 AND DECEMBER 31, 2014

(in thousands of Canadian dollars) (unaudited)

	Note	June 30 2015	December 31 2014
ASSETS			
Current assets			
Cash and cash equivalents		$ 106,499	$ 138,924
Restricted cash		4,618	4,291
Trade and other receivables	5	508,755	468,946
Unbilled revenue	6	330,662	301,402
Inventories	7	27,568	31,286
Income tax recoverable		15,308	4,072
Prepaid expenses		15,170	14,214
Investment in joint venture classified as held for sale	8	243,537	-
		1,252,117	963,135
Non-current assets			
Long-term financial assets		3,434	3,746
Projects accounted for using the equity method	9	26,664	245,727
Deferred income tax assets		34,018	25,900
Property, plant and equipment	10	469,387	493,108
Intangible assets	11	107,297	98,494
		640,800	866,975
TOTAL ASSETS		$ 1,892,917	$ 1,830,110
LIABILITIES			
Current liabilities			
Bank indebtedness	12	$ 86,556	$ -
Trade and other payables	13	497,461	514,400
Provisions	14	13,394	15,636
Deferred revenue	6	102,311	118,117
Income taxes payable		-	1,786
Long-term debt	15	70,992	83,226
Convertible debentures	16	91,560	90,816
		862,274	823,981
Non-current liabilities			
Provisions	14	7,350	7,108
Long-term debt	15	102,962	113,612
Convertible debentures	16	159,130	157,291
Deferred income tax liabilities		65,675	65,515
Other liabilities		6,453	6,653
		341,570	350,179
TOTAL LIABILITIES		1,203,844	1,174,160
EQUITY			
Capital stock	20	327,028	324,287
Convertible debentures	16	8,674	8,674
Contributed surplus	20	39,799	5,509
Retained earnings		274,947	290,858
Accumulated other comprehensive income		38,625	26,622
TOTAL EQUITY		689,073	655,950
TOTAL LIABILITIES AND EQUITY	19	$ 1,892,917	$ 1,830,110

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF INCOME

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(in thousands of Canadian dollars, except per share amounts) (unaudited)

	Note	For the three months ended		For the six months ended	
		June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Revenue		**$ 667,311**	$ 589,566	**$ 1,168,831**	$ 1,051,439
Direct costs and expenses	21	**(609,392)**	(545,529)	**(1,074,013)**	(974,586)
Gross profit		**57,919**	44,037	**94,818**	76,853
Marketing, general and administrative expenses	21	**(42,218)**	(43,853)	**(87,287)**	(88,216)
Depreciation and amortization	21	**(16,706)**	(14,136)	**(33,659)**	(30,964)
Income from projects accounted for using the equity method	9	**6,880**	6,578	**15,219**	13,899
Other income (loss)	22	**13,931**	(407)	**12,554**	(2,546)
Operating profit (loss)		**19,806**	(7,781)	**1,645**	(30,974)
Finance income		**221**	302	**475**	906
Finance costs	23	**(7,422)**	(11,660)	**(15,160)**	(23,407)
Fair value gain on convertible debentures	16	**177**	2,302	**139**	597
Profit (loss) before income taxes		**12,782**	(16,837)	**(12,901)**	(52,878)
Income tax recovery (expense)	17	**(413)**	4,622	**8,291**	14,762
Profit (loss) for the period		**$ 12,369**	$ (12,215)	**$ (4,610)**	$ (38,116)
Basic earnings (loss) per share	24	**$ 0.22**	$ (0.23)	**$ (0.08)**	$ (0.72)
Diluted earnings (loss) per share	24	**$ 0.21**	$ (0.23)	**$ (0.08)**	$ (0.72)

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(in thousands of Canadian dollars) (unaudited)

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Profit (loss) for the period	**$ 12,369**	$ (12,215)	**$ (4,610)**	$ (38,116)
Other comprehensive income (loss):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences - foreign operations	**-**	(77)	**(60)**	422
Currency translation differences - equity-accounted investees	**(5,641)**	(4,900)	**15,105**	3,362
Cash flow hedges	**(3,477)**	(152)	**(3,477)**	(266)
Income taxes on the above	**435**	38	**435**	66
Total other comprehensive income (loss) for the period	**(8,683)**	(5,091)	**12,003**	3,584
Comprehensive income (loss) for the period	**$ 3,686**	$ (17,306)	**$ 7,393**	$ (34,532)

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(in thousands of Canadian dollars, except per share amounts) (unaudited)

	Capital stock	Convertible debentures	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss): Currency translation differences	Actuarial gains and losses	Cash flow hedges	Shareholders' equity
Balance as at January 1, 2015	**$ 324,287**	**$ 8,674**	**$ 5,509**	**$ 290,858**	**$ 27,576**	**$ (954)**	**$ -**	**$ 655,950**
Loss for the period	-	-	-	(4,610)	-	-	-	**(4,610)**
Other comprehensive income (loss):								
Currency translation differences - foreign operations	-	-	-	-	(60)	-	-	**(60)**
Currency translation differences - equity-accounted investees	-	-	-	-	15,105	-	-	**15,105**
Cash flow hedges	-	-	-	-	-	-	(3,477)	**(3,477)**
Taxes with respect to above items included in other comprehensive income	-	-	-	-	-	-	435	**435**
Total other comprehensive income for the period	**-**	**-**	**-**	**-**	**15,045**	**-**	**(3,042)**	**12,003**
Total comprehensive income for the period	**-**	**-**	**-**	**(4,610)**	**15,045**	**-**	**(3,042)**	**7,393**
Dividends declared	-	-	-	(11,301)	-	-	-	**(11,301)**
Transfers by the Trust to settle long-term incentive plan (LTIP) obligations	2,741	-	-	-	-	-	-	**2,741**
Reclassification of LTIP to an equity settled plan	-	-	32,436	-	-	-	-	**32,436**
Reclassification of Director DSU plan to an equity settled plan	-	-	1,569	-	-	-	-	**1,569**
Share based compensation	-	-	285	-	-	-	-	**285**
Balance as at June 30, 2015	**$ 327,028**	**$ 8,674**	**$ 39,799**	**$ 274,947**	**$ 42,621**	**$ (954)**	**$ (3,042)**	**$ 689,073**

	Capital stock	Convertible debentures	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss): Currency translation differences	Actuarial gains and losses	Cash flow hedges	Shareholders' equity
Balance as at January 1, 2014	**$ 286,747**	**$ 8,674**	**$ 6,477**	**$ 277,474**	**$ 8,036**	**$ (391)**	**$ (409)**	**$ 586,608**
Loss for the period	-	-	-	(38,116)	-	-	-	**(38,116)**
Other comprehensive income (loss):								
Currency translation differences - foreign operations	-	-	-	-	422	-	-	**422**
Currency translation differences - equity-accounted investees	-	-	-	-	3,362	-	-	**3,362**
Cash flow hedges - equity accounted investees	-	-	-	-	-	-	(266)	**(266)**
Taxes with respect to above items included in other comprehensive income	-	-	-	-	-	-	66	**66**
Total other comprehensive income for the period	**-**	**-**	**-**	**-**	**3,784**	**-**	**(200)**	**3,584**
Total comprehensive loss for the period	**-**	**-**	**-**	**(38,116)**	**3,784**	**-**	**(200)**	**(34,532)**
Dividends declared	-	-	-	(10,161)	-	-	-	**(10,161)**
Common shares issued on exercise of options	3,908	-	(977)	-	-	-	-	**2,931**
Granting of stock options	-	-	3	-	-	-	-	**3**
Transfers by the Trust to settle long-term incentive plan (LTIP) obligations	4,838	-	-	-	-	-	-	**4,838**
Balance as at June 30, 2014	**$ 295,493**	**$ 8,674**	**$ 5,503**	**$ 229,197**	**$ 11,820**	**$ (391)**	**$ (609)**	**$ 549,687**

During the six months ended June 30, 2015, the Company declared dividends amounting to $0.20 per share (June 30, 2014 - $0.18 per share).

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(in thousands of Canadian dollars) (unaudited)

	Note	**June 30 2015**	June 30 2014
CASH PROVIDED BY (USED IN)			
Operating activities			
Loss before income taxes		**$ (12,901)**	$ (52,878)
Income taxes paid		**(12,633)**	(4,806)
Defined benefit pension		**(458)**	(237)
Items not affecting cash:			
Depreciation and amortization		**33,659**	30,964
Income from projects accounted for using the equity method		**(15,219)**	(13,899)
Loss on sale of property, plant and equipment		**278**	563
Income from leasehold inducements		**(195)**	(374)
(Gain) loss on disposal of subsidiary		**(14,140)**	2,555
Unrealized foreign exchange (gain) loss		**(393)**	688
Increase in provisions		**703**	1,328
Notional interest representing accretion		**2,884**	4,853
Fair value gain (loss) on convertible debentures		**(139)**	(597)
Stock-based compensation		**285**	3
Change in other balances relating to operations	25	**(71,960)**	(68,366)
		(90,229)	(100,203)
Investing activities			
Increase in restricted cash balances		**(327)**	(71)
Purchase of property, plant and equipment		**(8,947)**	(12,555)
Proceeds on sale of property, plant and equipment		**3,969**	4,108
Proceeds on sale of a subsidiary		**25,715**	-
Increase in intangible assets		**(14,148)**	(16,158)
(Increase) decrease in long-term financial assets		**94**	(168)
Distributions from projects accounted for using the equity method		**5,850**	8,306
		12,206	(16,538)
Financing activities			
Increase in bank indebtedness		**86,556**	-
Issuance of long-term debt		**8,141**	20,069
Repayments of long-term debt		**(38,928)**	(34,189)
Increase in other liabilities		**452**	1,374
Issuance of capital stock		**-**	2,931
Dividends paid		**(10,725)**	(9,575)
		45,496	(19,390)
Decrease in cash and cash equivalents during the period		**(32,527)**	(136,131)
Effects of foreign exchange on cash balances		**102**	7
Cash and cash equivalents - beginning of period		**138,924**	240,602
Cash and cash equivalents - end of period	25	**$ 106,499**	$ 104,478

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014
(in thousands of Canadian dollars, except per share amounts) (unaudited)

1. CORPORATE INFORMATION

Aecon Group Inc. ("Aecon" or the "Company") is a publicly traded construction and infrastructure development company incorporated in Canada. Aecon and its subsidiaries provide services to private and public sector clients throughout Canada and on a selected basis internationally. Its registered office is located in Toronto, Ontario at 20 Carlson Court, Suite 800, M9W 7K6.

Aecon operates in four principal segments within the construction and infrastructure development industry: Infrastructure, Energy, Mining and Concessions.

2. DATE OF AUTHORIZATION FOR ISSUE

The consolidated financial statements of the Company were authorized for issue on August 10, 2015 by the Board of Directors of the Company.

3. BASIS OF PRESENTATION

Basis of presentation
The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS").

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". The interim condensed consolidated financial statements do not include all the information and disclosures required in the Company's annual consolidated financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2014.

Seasonality
The construction industry in Canada is seasonal in nature for companies like Aecon who do a significant portion of their work outdoors, particularly road construction and utilities work. As a result, less work is performed in the winter and early spring months than in the summer and fall months. Accordingly, Aecon has historically experienced a seasonal pattern in its operating results, with the first half of the year, and particularly the first quarter, typically generating lower revenue and profits than the second half of the year. Therefore, results in any one quarter are not necessarily indicative of results in any other quarter, or for the year as a whole.

Basis of measurement
The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities to fair value, including derivative instruments and available-for-sale investments.

Principles of consolidation
The consolidated financial statements include the accounts of the Company and all of its subsidiaries. In addition, the Company's participation in joint arrangements classified as joint operations are accounted for in the consolidated financial statements by reflecting, line by line, the Company's share of the assets held jointly, liabilities incurred jointly, and revenue and expenses arising from the joint operations. The consolidated financial statements also include the Company's investment in and share of the earnings of projects accounted for using the equity method.

4. CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in a material adjustment to the carrying value of the asset or liability affected.

Critical accounting estimates are those that require management to make assumptions about matters that are highly uncertain at the time the estimate or assumption is made. Critical accounting estimates are also those that could potentially have a material impact on the Company's financial results were a different estimate or assumption used.

Estimates and underlying assumptions are reviewed on an ongoing basis. These estimates and assumptions are subject to change at any time based on experience and new information. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Except as disclosed, there have been no material changes to critical accounting estimates related to the below mentioned items in the past two fiscal years. Critical accounting estimates are also not specific to any one segment unless otherwise noted below.

The Company's significant accounting policies are described in Note 5, "*Summary of Significant Accounting Policies*" in the Company's annual consolidated financial statements for the year ended December 31, 2014. The following discussion is intended to describe those judgments and key assumptions concerning major sources of estimation uncertainty at the end of the reporting period that have the most significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4.1 MAJOR SOURCES OF ESTIMATION UNCERTAINTY

REVENUE AND GROSS PROFIT RECOGNITION

Revenue and income from fixed price construction contracts, including contracts in which the Company participates through joint operations, are determined on the percentage of completion method, based on the ratio of costs incurred to date over estimated total costs. The Company has a process whereby progress on jobs is reviewed by management on a regular basis and estimated costs to complete are updated. However, due to unforeseen changes in the nature or cost of the work to be completed or performance factors, contract profit can differ significantly from earlier estimates.

The Company's estimates of contract revenue and cost are highly detailed. Management believes, based on its experience, that its current systems of management and accounting controls allow the Company to produce materially reliable estimates of total contract revenue and cost during any accounting period. However, many factors can and do change during a contract performance period, which can result in a change to contract profitability from one financial reporting period to another. Some of the factors that can change the estimate of total contract revenue and cost include differing site conditions (to the extent that contract remedies are unavailable), the availability of skilled contract labour, the performance of major material suppliers to deliver on time, the performance of major subcontractors, unusual weather conditions and the accuracy of the original bid estimate. Fixed price contracts are common across all of the Company's sectors, as are change orders and claims, and therefore these estimates are not unique to one core segment. Because the Company has many contracts in process at any given time, these changes in estimates can offset each other without impacting overall profitability. However, changes in cost estimates, which on larger, more complex construction projects can have a material impact on the Company's consolidated financial statements, are reflected in the results of operations when they become known.

A change order results from a change to the scope of the work to be performed compared to the original contract that was signed. Unpriced change orders are change orders that have been approved as to scope but unapproved as to price. For such change orders, contract revenue is recognized to the extent of costs incurred or, if lower, to the extent to which recovery is probable. Therefore, to the extent that actual costs recovered are different from expected cost recoveries, significant swings in revenue and profitability can occur from one reporting period to another.
Claims are amounts in excess of the agreed contract price, or amounts not included in the original contract price, that Aecon seeks to collect from clients or others for client-caused delays, errors in specifications and designs, contract terminations, change orders in dispute or unapproved as to both scope and price, or other causes of unanticipated additional costs. In accordance with the Company's accounting policy, claims are recognized in revenue only when resolution is probable. Therefore, it is possible for the Company to have substantial contract costs recognized in one accounting period with associated revenue recognized in a later period.

Given the above-noted critical accounting estimates associated with the accounting for construction contracts, including change orders and claims, it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year or later could be different from the estimates and assumptions adopted and could require a material adjustment to revenue and/or the carrying amount of the asset or liability affected. The Company is unable to quantify the potential impact to the consolidated financial results from a change in estimate in calculating revenue.

VALUES USED IN THE VALUATION OF DERIVATIVES AND FAIR VALUING FINANCIAL INSTRUMENTS

From time to time, the Company enters into forward contracts and other foreign exchange hedging products to manage its exposure to changes in exchange rates related to transactions denominated in currencies other than the Canadian dollar, but does not hold or issue such financial instruments for speculative trading purposes. The Company is required to measure certain financial instruments at fair value, using the most readily available market comparison data and where no such data is available, using quoted market prices of similar assets or liabilities, quoted prices in markets that are not active, or other observable inputs that can be corroborated.

Estimates relating to the valuation of financial instruments that are not traded in an active market and which have fair values determined using valuation techniques, such as the embedded derivatives within the Company's convertible debentures, involve the most significant area of fair value estimation. As explained in Note 16 *"Convertible Debentures,"* some of the Company's convertible debentures contain an embedded derivative that must be measured at fair value at each reporting date with gains and losses in fair value recognized through profit or loss. The fair value of the embedded derivative is determined using the quoted market price of the convertible debentures, along with market based inputs, to fair value the debt and the embedded derivative components of the instruments. Two of the most significant assumptions impacting the Company's valuation of these embedded derivatives are the implied volatility and credit spread inputs.

Further information with regard to the treatment of the Company's convertible debentures and other financial instruments, including the impact of a change in implied volatility and credit spread inputs, can be found in Note 16 *"Convertible Debentures"* and Note 26 *"Financial Instruments."*

MEASUREMENT OF RETIREMENT BENEFIT OBLIGATIONS

The Company's obligations and expenses related to defined benefit pension plans, including supplementary executive retirement plans, are determined using actuarial valuations and are dependent on many significant assumptions. The defined benefit obligations and benefit cost levels will change as a result of future changes in actuarial methods and assumptions, membership data, plan provisions, legislative rules, and future experience gains or losses, which have not been anticipated at this time. Emerging experience, differing from assumptions, will result in gains or losses that will be disclosed in future accounting valuations. Refer to Note 20, "*Employee Benefit Plans*," in the Company's annual consolidated financial statements for the year ended December 31, 2014, for further details regarding the Company's defined benefit plans as well as the impact to the financial results of a 0.5% change in the discount rate assumption used in the calculations.

INCOME TAXES

The Company is subject to income taxes in both Canada and several foreign jurisdictions. Significant estimates and judgments are required in determining the Company's worldwide provision for income taxes. In the ordinary course of business, there are transactions and calculations where the ultimate tax determination is uncertain. The Company

recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Management estimates income taxes for each jurisdiction the Company operates in, taking into consideration different income tax rates, non-deductible expenses, valuation allowances, changes in tax laws, and management's expectations of future results. Management bases its estimates of deferred income taxes on temporary differences between the assets and liabilities reported in the Company's consolidated financial statements, and the assets and liabilities determined by the tax laws in the various countries in which the Company operates. Although the Company believes its tax estimates are reasonable, there can be no assurance that the final determination of any tax audits and litigation will not be materially different from that reflected in the Company's historical income tax provisions and accruals. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the Company's income tax expense and current and deferred income tax assets and liabilities in the period in which such determinations are made. Although management believes it has adequately provided for any additional taxes that may be assessed as a result of an audit or litigation, the occurrence of either of these events could have an adverse effect on the Company's current and future results and financial condition.

The Company is unable to quantify the potential future impact to its consolidated financial results from a change in estimate in calculating income tax assets and liabilities.

IMPAIRMENT OF GOODWILL AND OTHER INTANGIBLE ASSETS

Intangible assets with finite lives are amortized over their useful lives. Goodwill, which has an indefinite life, is not amortized. Management evaluates intangible assets that are not amortized at the end of each reporting period to determine whether events and circumstances continue to support an indefinite useful life. Intangible assets with finite lives are tested for impairment whenever events or circumstances indicate the carrying value may not be recoverable. Goodwill and intangible assets with indefinite lives, if any, are tested for impairment by applying a fair value test in the fourth quarter of each year and between annual tests if events occur or circumstances change, which suggest the goodwill or intangible assets should be evaluated.

Impairment assessments inherently involve management judgment as to the assumptions used to project these amounts and the impact of market conditions on those assumptions. The key assumptions used to estimate the fair value of reporting units under the fair value less cost to disposal approach are: weighted average cost of capital used to discount the projected cash flows; cash flows generated from new work awards; and projected operating margins.

The weighted average cost of capital rates used to discount projected cash flows are developed via the capital asset pricing model, which is primarily based on market inputs. Management uses discount rates it believes are an accurate reflection of the risks associated with the forecasted cash flows of the respective reporting units.

To develop the cash flows generated from project awards and projected operating margins, the Company tracks prospective work primarily on a project-by-project basis as well as the estimated timing of when new work will be bid or prequalified, started and completed. Management also gives consideration to its relationships with prospective customers, the competitive landscape, changes in its business strategy, and the Company's history of success in winning new work in each reporting unit. With regard to operating margins, consideration is given to historical operating margins in the end markets where prospective work opportunities are most significant, and changes in the Company's business strategy.

Unanticipated changes in these assumptions or estimates could materially affect the determination of the fair value of a reporting unit and, therefore, could reduce or eliminate the excess of fair value over the carrying value of a reporting unit entirely and could potentially result in an impairment charge in the future.

Refer to Note 13, "*Intangible Assets*", in the Company's annual consolidated financial statements for the year ended December 31, 2014, for further details regarding goodwill as well as the impact on the financial results of a change in the assumptions used in the impairment assessment calculations.

4.2 JUDGMENTS

The following are critical judgments management has made in the process of applying accounting policies and that have the most significant effect on how certain amounts are reported in the consolidated financial statements.

BASIS FOR CONSOLIDATION AND CLASSIFICATION OF JOINT ARRANGEMENTS

Assessing the Company's ability to control or influence the relevant financial and operating policies of another entity may, depending on the facts and circumstances, require the exercise of significant judgment to determine whether the Company controls, jointly controls, or exercises significant influence over the entity performing the work. This assessment of control impacts how the operations of these entities are reported in the Company's consolidated financial statements (i.e., full consolidation, equity investment or proportional share).

The Company performs the majority of its construction projects through wholly owned subsidiary entities, which are fully consolidated. However, a number of projects, particularly some larger, multi-year, multi-disciplinary projects, are executed through partnering agreements. As such, the classification of these entities as a subsidiary, joint operation, joint venture, associate or financial instrument requires judgment by management to analyze the various indicators that determine whether control exists. In particular, when assessing whether a joint arrangement should be classified as either a joint operation or a joint venture, management considers the contractual rights and obligations, voting shares, share of board members and the legal structure of the joint arrangement. Subject to reviewing and assessing all the facts and circumstances of each joint arrangement, joint arrangements contracted through agreements and general partnerships would generally be classified as joint operations whereas joint arrangements contracted through corporations would be classified as joint ventures. The majority of the current partnering agreements are classified as joint operations.

The application of different judgments when assessing control or the classification of joint arrangements could result in materially different presentations in the consolidated financial statements.

DISCONTINUED OPERATIONS

The determination of whether a component of the Company, that either has been disposed of or is classified as held for sale, should be classified as a discontinued operation requires the exercise of judgment by management. The classification can have a significant impact on the presentation in the consolidated financial statements. In the second quarter of 2015, IST was sold (see Note 22 "Other Income (Loss)") and the Quito International Airport concessionaire ("Quiport") was classified as an asset held for sale (see Note 8 "Investment In Joint Venture Classified As Held For Sale"). In management's judgment, neither of these two operations meet the criteria for classification as discontinued operations. In making such determinations, management examined all the lines of business that the Company currently operates in, and the geographic markets that the Company participates in. With respect to IST, the Company continues to operate various in-plant construction, fabrication and module assembly operations within the Energy segment and throughout Canada. Regarding Quiport, the Concessions segment continues its role of investing, developing, financing, operating and maintaining infrastructure projects by way of contractual structures in the global marketplace for public-private partnerships ("P3").

5. TRADE AND OTHER RECEIVABLES

	June 30 2015	December 31 2014
Trade receivables	$ 336,002	$ 277,972
Allowance for doubtful accounts	(1,658)	(1,854)
	334,344	276,118
Holdbacks receivable	168,252	186,267
Other	6,159	6,561
	174,411	192,828
Total	$ 508,755	$ 468,946
Amounts receivable beyond one year	$ 62,489	$ 76,471

A reconciliation of the beginning and ending carrying amounts of the Company's allowance for doubtful accounts is as follows:

	June 30 2015	December 31 2014
Balance - beginning of period	$ (1,854)	$ (1,933)
Additional amounts provided for during period	(90)	(1,487)
Trade receivables written off during period	-	23
Amounts recovered	286	1,543
Balance - end of period	$ (1,658)	$ (1,854)

6. UNBILLED REVENUE AND DEFERRED REVENUE

Costs incurred and estimated earnings (i.e. earned revenue), net of billings, on uncompleted contracts is presented in the consolidated balance sheets under the following captions:

	June 30 2015	December 31 2014
Earned revenue on projects to date	$ 5,373,367	$ 5,834,542
Less: Billings on projects to date	5,145,016	5,651,257
Net consolidated balance sheet position	$ 228,351	$ 183,285
Reported as:		
Unbilled revenue	$ 330,662	$ 301,402
Deferred revenue	(102,311)	(118,117)
	$ 228,351	$ 183,285

7. INVENTORIES

	June 30 2015	December 31 2014
Raw materials and supplies	$ 4,703	$ 8,072
Finished goods	22,865	23,214
	$ 27,568	$ 31,286

8. INVESTMENT IN JOINT VENTURE CLASSIFIED AS HELD FOR SALE

On June 8, 2015, the Company signed agreements with Grupo Odinsa S.A., and CCR S.A., to sell its 45.5 per cent interest in the Quito International Airport concessionaire, Corporacion Quiport S.A.("Quiport"), for US$232,600. The transaction remains subject to various formal third party approvals including regulatory and lender approvals. The financial results of Quiport are reported in the Concessions segment.

As Aecon's investment in Quiport is expected to be recovered through this sale transaction, this investment is presented, on a prospective basis as an asset "held for sale" on the consolidated balance sheets (June 30, 2015 - $243,537). In addition, equity accounting ceased from the point the joint venture was classified as held for sale (June 8, 2015).

	June 30 2015
Cash and cash equivalents	$ 22,066
Other current assets	21,035
Total current assets	43,101
Non-current assets	439,122
Total Assets	**482,223**
Trade and other payables and provisions	15,881
Other current financial liabilities	15,349
Total current liabilities	31,230
Non-current financial liabilities	124,167
Other non-current liabilities	83,289
Total non-current liabilities	207,456
Total liabilities	238,686
Net assets	$ 243,537

As at June 30, 2015, $41,681 of cumulative currency translation gains were recognized directly in equity related to the assets held for sale.

9. PROJECTS ACCOUNTED FOR USING THE EQUITY METHOD

The Company performs some construction and concession related projects through non-consolidated entities. The Company's participation in these entities is conducted through joint ventures and associates and is accounted for using the equity method. The Company's joint ventures and associates are private entities and there is no quoted market price available for their shares.

The summarized financial information below reflects the Company's share of the amounts presented in the financial statements of joint ventures and associates:

	June 30, 2015			December 31, 2014		
	Joint Ventures	Associates	**Total**	Joint Ventures	Associates	Total
Cash and cash equivalents	$ 2,755	$ 11,619	**$ 14,374**	$ 2,290	$ 5,452	$ 7,742
Other current assets	23,113	9,019	**32,132**	56,841	17,780	74,621
Total current assets	25,868	20,638	**46,506**	59,131	23,232	82,363
Non-current assets	9,240	15	**9,255**	418,294	1,248	419,542
Total assets	35,108	20,653	**55,761**	477,425	24,480	501,905
Trade and other payables and provisions	7,984	9,145	**17,129**	20,588	7,539	28,127
Other current financial liabilities	311	-	**311**	15,090	43	15,133
Total current liabilities	8,295	9,145	**17,440**	35,678	7,582	43,260
Non-current financial liabilities	11,045	-	**11,045**	134,571	-	134,571
Other non-current liabilities	612	-	**612**	78,347	-	78,347
Total non-current liabilities	11,657	-	**11,657**	212,918	-	212,918
Total liabilities	19,952	9,145	**29,097**	248,596	7,582	256,178
Net assets	$ 15,156	$ 11,508	**$ 26,664**	$ 228,829	$ 16,898	$ 245,727

	For the three months ended					
	June 30, 2015			June 30, 2014		
	Joint Ventures	Associates	**Total**	Joint Ventures	Associates	**Total**
Revenue	$ 28,776	$ 6,056	**$ 34,832**	$ 21,786	$ 15,357	**$** 37,143
Depreciation and amortization	(2,748)	-	**(2,748)**	(3,585)	-	(3,585)
Other costs	(15,541)	(5,801)	**(21,342)**	(8,531)	(15,019)	(23,550)
Operating profit	10,487	255	**10,742**	9,670	338	10,008
Finance costs	(3,132)	-	**(3,132)**	(3,037)	-	(3,037)
Income tax (expense) recovery	(346)	-	**(346)**	32	-	32
Non-controlling interest	(384)	-	**(384)**	(425)	-	(425)
Profit for the period	6,625	255	**6,880**	6,240	338	6,578
Other comprehensive loss	(5,641)	-	**(5,641)**	(5,014)	-	(5,014)
Total comprehensive income	$ 984	$ 255	**$ 1,239**	$ 1,226	$ 338	**$** 1,564

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014
(in thousands of Canadian dollars, except per share amounts) (unaudited)

	For the six months ended					
	June 30, 2015			June 30, 2014		
	Joint Ventures	Associates	**Total**	Joint Ventures	Associates	Total
Revenue	$ 57,026	$ 9,659	**$ 66,685**	$ 39,809	$ 28,449	$ 68,258
Depreciation and amortization	(6,846)	-	**(6,846)**	(7,240)	-	(7,240)
Other costs	(28,656)	(9,049)	**(37,705)**	(14,399)	(26,041)	(40,440)
Operating profit	21,524	610	**22,134**	18,170	2,408	20,578
Finance costs	(5,796)	-	**(5,796)**	(6,072)	-	(6,072)
Income tax expense (recovery)	(161)	-	**(161)**	195	-	195
Non-controlling interest	(958)	-	**(958)**	(802)	-	(802)
Profit for the period	14,609	610	**15,219**	11,491	2,408	13,899
Other comprehensive income	15,105	-	**15,105**	3,162	-	3,162
Total comprehensive income	$ 29,714	$ 610	**$ 30,324**	$ 14,653	$ 2,408	$ 17,061

The movement in the investment in projects accounted for using the equity method is as follows:

	For the six months ended	For the year ended
	June 30 2015	December 31 2014
Projects accounted for using the equity method - beginning of period	**$ 245,727**	$ 232,467
Share of profit for the period	**15,219**	32,995
Share of other comprehensive income for the period	**15,105**	19,437
Transfer to investments in joint ventures held for sale	**(243,537)**	-
Distributions from projects accounted for using the equity method	**(5,850)**	(39,172)
Projects accounted for using the equity method - end of period	**$ 26,664**	$ 245,727

10. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and leasehold improvements	Aggregate properties	Machinery and construction equipment	Office equipment, furniture and fixtures, and computer hardware	Vehicles	Heavy equipment	Total
Cost								
Balance as at January 1, 2015	$ 34,441	$ 91,089	$ 53,384	$ 252,878	$ 30,141	$ 67,170	$ 259,393	**$ 788,496**
Additions	-	215	-	8,560	1,609	1,802	4,647	**16,833**
Disposals	(869)	(6,287)	-	(13,235)	(4,181)	(3,774)	(1,605)	**(29,951)**
Balance as at June 30, 2015	$ 33,572	$ 85,017	$ 53,384	$ 248,203	$ 27,569	$ 65,198	$ 262,435	**$ 775,378**
Accumulated depreciation and impairment								
Balance as at January 1, 2015	-	34,952	13,659	124,357	20,101	44,886	57,433	**295,388**
Depreciation	-	5,948	399	11,399	2,127	4,263	7,396	**31,532**
Disposals	-	(3,367)	-	(9,557)	(3,718)	(3,506)	(781)	**(20,929)**
Balance as at June 30, 2015	$ -	$ 37,533	$ 14,058	$ 126,199	$ 18,510	$ 45,643	$ 64,048	**$ 305,991**
Net book value as at June 30, 2015	**$ 33,572**	**$ 47,484**	**$ 39,326**	**$ 122,004**	**$ 9,059**	**$ 19,555**	**$ 198,387**	**$ 469,387**
Net book value as at January 1, 2015	**$ 34,441**	**$ 56,137**	**$ 39,725**	**$ 128,521**	**$ 10,040**	**$ 22,284**	**$ 201,960**	**$ 493,108**
Net book value of assets under finance lease as at June 30, 2015	**$ -**	**$ -**	**$ 75**	**$ 51,489**	**$ 543**	**$ 16,303**	**$ 25,222**	**$ 93,632**

11. INTANGIBLE ASSETS

	Goodwill	Licences, software and other rights	Total
Cost			
Balance as at January 1, 2015	$ 52,574	$ 55,738	$ 108,312
Additions			
Acquired separately	-	13,449	13,449
Interest capitalized	-	700	700
Disposals	(3,201)	(696)	(3,897)
Balance as at June 30, 2015	**49,373**	**69,191**	**118,564**
Accumulated amortization and impairment			
Balance as at January 1, 2015	-	9,818	9,818
Amortization	-	2,127	2,127
Disposals	-	(678)	(678)
Balance as at June 30, 2015	**$ -**	**11,267**	**11,267**
Net book value as at June 30, 2015	**$ 49,373**	**57,924**	**107,297**
Net book value as at January 1, 2015	**$ 52,574**	**$ 45,920**	**$ 98,494**

Amortization of intangible assets is included in the depreciation and amortization expense line item on the consolidated statements of income.

(a) Refer to note 22 *"Other income (loss)"* for further information on the reduction of goodwill resulting from the sale of IST.

12. BANK INDEBTEDNESS

The Company maintains a committed revolving credit facility of $400,000 (December 31, 2014 - $300,000). Bank indebtedness as at June 30, 2015 of $86,556 (December 31, 2014 – $nil) represents borrowings on the Company's revolving credit facility. Letters of credit amounting to $39,506 were also issued against the credit facility as at June 30, 2015 (December 31, 2014 - $41,367). Cash drawings under the facility bear interest rates between prime and prime plus 1.2% per annum. Letters of credit reduce the amount available-for-use under the facility. In 2015, the expiry date of the facility was extended to March 2019 and the amount available under the facility was increased from $300,000 to $400,000.

The Company also maintains an additional letter of credit facility (a $500,000 facility, up from $250,000 at December 31, 2014) provided by Export Development Canada of which $168,452 was utilized as at June 30, 2015 (December 31, 2014 - $161,833).

13. TRADE AND OTHER PAYABLES

	June 30 2015	December 31 2014
Trade payables and accrued liabilities	**$ 425,231**	$ 441,275
Holdbacks payable	**72,230**	73,125
	$ 497,461	$ 514,400
Amounts payable beyond one year	**$ 14,062**	$ 14,046

14. PROVISIONS

	Contract related obligations	Asset decommissioning costs	Tax assessments	Other	Total
Balance as at January 1, 2015	$ 7,105	$ 3,222	$ 8,016	$ 4,401	$ 22,744
Additions made	305	140	-	269	714
Amounts used	(436)	(53)	-	(1,494)	(1,983)
Unused amounts reversed	(916)	-	-	-	(916)
Notional interest	121	64	-	-	185
Balance at June 31, 2015	**$ 6,179**	**$ 3,373**	**$ 8,016**	**$ 3,176**	**$ 20,744**
Reported as:					
Current	**$ 2,305**	**$ -**	**$ 8,016**	**$ 3,073**	**$ 13,394**
Non-current	**3,874**	**3,373**	**-**	**103**	**7,350**
	$ 6,179	**$ 3,373**	**$ 8,016**	**$ 3,176**	**$ 20,744**

15. LONG-TERM DEBT

	June 30 2015	December 31 2014
Long-term debt:		
Finance leases	**$ 81,451**	$ 91,648
Equipment and other loans	**92,503**	105,190
Total long-term debt	**$ 173,954**	$ 196,838
Reported as:		
Current liabilities:		
Long-term debt	**$ 70,992**	$ 83,226
Non-current liabilities:		
Long-term debt	**102,962**	113,612
	$ 173,954	$ 196,838

16. CONVERTIBLE DEBENTURES

Convertible subordinated debentures consist of:

		June 30 2015		December 31 2014
Debt component:				
Debenture maturing on October 31, 2015		**91,526**		90,643
Debenture maturing on December 31, 2018		**159,130**		157,291
		250,656		247,934
Embedded derivative component:				
Debenture maturing on October 31, 2015		**34**		173
		34		173
Total convertible debentures	**$**	**250,690**	$	248,107
Reported as:				
Current liabilities				
Convertible debentures	**$**	**91,560**	$	90,816
Non-current liabilities:				
Convertible debentures		**159,130**		157,291
	$	**250,690**	$	248,107

		June 30 2015		December 31 2014
Equity component:				
Debenture maturing on December 31, 2018	**$**	**8,674**	$	8,674

For the 2015 convertible debentures, the Company has the option, subject to the prior agreement of the holders, to settle its obligations on conversion by way of a cash payment of equal value. Due to this cash settlement feature under IAS 32, "*Financial Instruments: Presentation"*, these convertible debentures are accounted for as a compound instrument with two components: a debt component and a derivative component, the latter representing the fair value of the conversion option offered to the debenture holders. Both the debt and embedded derivative components of these compound financial instruments are measured at fair value on initial recognition. The debt component is subsequently accounted for at amortized cost using the effective interest rate method. The embedded derivative is subsequently measured at fair value at each reporting date with gains and losses in fair value recognized through profit or loss.

Interest expense on the debentures is composed of the interest calculated on the face value of the debentures and notional interest representing the accretion of the carrying value of the debentures.

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Interest expense on face value	**$ (3,810)**	$ **(6,893)**	**$ (7,619)**	$ **(13,721)**
Notional interest representing accretion	**(1,365)**	**(2,481)**	**(2,724)**	**(4,985)**
Fair value gain on convertible debentures	**177**	**2,302**	**139**	**597**
	$ (4,998)	$ **(7,072)**	**$ (10,204)**	$ **(18,109)**

17. INCOME TAXES

	For the six months ended	
	June 30 2015	June 30 2014
Loss before income taxes	**$ (12,901)**	$ (52,878)
Statutory income tax rate	**25.75%**	25.75%
Expected income tax recovery	**3,322**	13,616
Effect on income taxes of:		
Projects accounted for using the equity method	**3,661**	2,880
Provincial and foreign rate differences	**318**	(456)
Non-deductible notional interest	**(116)**	(489)
Non-deductible stock-based compensation expense	**-**	3
Other non-deductible expenses	**(241)**	(792)
Tax-exempt portion of capital gains	**1,347**	-
	4,969	1,146
Income tax recovery	**$ 8,291**	$ 14,762

18. EMPLOYEE BENEFIT PLANS

Employee future benefit expenses for the period are as follows:

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Defined benefit pension expense:				
Company sponsored pension plans	**$ 233**	$ 269	**$ 466**	$ 538
Defined contribution pension expense:				
Company sponsored pension plans	**1,524**	1,348	**3,095**	2,816
Multi-employer pension plans	**17,350**	13,657	**31,500**	25,776
Total employee future benefit expenses	**$ 19,107**	$ 15,274	**$ 35,061**	$ 29,130

19. CONTINGENCIES

The Company is involved in various disputes and litigation both as plaintiff and defendant. In the opinion of management, the resolution of disputes against the Company, including those provided for (see Note 14, *"Provisions"*), will not result in a material effect on the consolidated financial position of the Company.

As part of regular operations, the Company has the following guarantees and letters of credit outstanding:

Guarantees and letters of credit	Project	June 30 2015	December 31 2014
Guarantees:			
Surety bonds, guaranteed joint and severally, to cover construction and concession related performance obligations, advance payment bond and retention release bond	Quito Airport Project	$ 116,789	$ 108,616
Letters of credit:			
In support of various project contingencies	Quito Airport Project	$ 22,131	$ 20,582
Financial and performance - issued in the normal conduct of business	Various	$ 203,989	$ 199,509

Under the terms of many of the Company's associate and joint arrangement contracts with project owners, each of the partners is jointly and severally liable for performance under the contracts. As at June 30, 2015, the value of uncompleted work for which the Company's associate and joint arrangement partners are responsible, and which the Company could be responsible for assuming, amounted to approximately $1,093,911 (December 31, 2014 - $1,248,525), a substantial portion of which is supported by performance bonds. In the event the Company assumed this additional work, it would have the right to receive the partner's share of billings to the project owners pursuant to the respective associate or joint arrangement contract.

20. CAPITAL STOCK

	For the three months ended June 30, 2015		For the year ended December 31, 2014	
	Number	**Amount**	**Number**	**Amount**
Number of common shares outstanding - beginning of period	**56,132,175**	**$ 324,287**	52,868,007	$ 286,747
Common shares issued on exercise of share options	-	-	268,332	3,908
Common shares sold by the Trust of the long-term incentive plan (LTIP)	-	-	2,413,449	26,477
Transfers by the Trust to settle LTIP obligations	233,105	2,741	583,492	7,162
Common shares cancelled	-	-	(1,368)	(12)
Common shares issued on conversion of debentures	-	-	263	5
Number of common shares outstanding - end of period	**56,365,280**	**$ 327,028**	56,132,175	$ 324,287

The Company is authorized to issue an unlimited number of common shares. The Company's shares have no par value. Including 82,431 (December 31, 2014 – 315,356) common shares held by the LTIP Trust, the total number of common shares outstanding as at June 30, 2015 is 56,447,711 (December 31, 2014 - 56,447,711).

STOCK−BASED COMPENSATION

Long-Term Incentive Plan

In 2005 and 2014, the Company adopted Long-Term Incentive Plans (collectively "LTIP" or individually "2005 LTIP" or "2014 LTIP") to provide a financial incentive for its senior executives to devote their efforts to the long-term success of the Company's business. Awards to participants are based on the financial results of the Company and are made in the form of Deferred Share Units ("DSUs") or in the form of Restricted Share Units ("RSUs"). Awards made in the form of DSUs will vest only on the retirement or termination of the participant. Awards made in the form of RSUs will vest annually over three years. Compensation charges related to the LTIP are expensed over the estimated vesting period of the awards in marketing, general and administrative expenses. Awards made to individuals who are eligible to retire under the plan are assumed, for accounting purposes, to vest immediately.

In the second quarter of 2015, shareholder approval was received to settle all outstanding LTIP obligations under both the 2005 LTIP and 2014 LTIP through the issuance of common shares from treasury. As a consequence of this approval, all the LTIP and Director DSUs were reclassified for accounting purposes from a cash-settled plan to an equity-settled plan resulting in a decrease in accrued liabilities and an increase in contributed surplus of $32,437 and $1,569, respectively. Expenses in respect of equity-settled stock-based payment transactions continue to be recognized over the estimated vesting period of the awards. New equity-settled share-based payment transactions are measured at the grant date fair value. Expenses in respect of LTIP awards outstanding at the time the plan was reclassified to an equity-settled plan are recognized over the estimated vesting period of the awards based on the share price on the date the LTIP was classified as an equity-settled plan. Equity-settled share-based payment transactions are not re-measured once the grant date fair value has been determined.

Previously, expenses in respect of cash-settled stock-based payment transactions were recognized over the estimated vesting period of the awards, however, the fair value of the liability was also remeasured at each reporting date until settled. Changes in fair value were recognized in other income (loss) in the consolidated statements of income.

The LTIP Trust held 82,431 common shares as at June 30, 2015 (December 31, 2014 – 315,536 shares). The Company has determined it holds a beneficial interest in the activities of the Trust that requires consolidation by the Company in accordance with IFRS 10 "*Consolidated Financial Statements*." Accordingly, at June 30, 2015, share capital was reduced by $214 (December 31, 2014 - $2,956) and accrued liabilities increased by the same amount.

For the three and six months ended June 30, 2015, the Company recorded LTIP compensation charges of $3,771 (2014 - $2,304) and $6,878 (2014 - $4,691), respectively, and other loss of $4,930 (2014 - $nil) and $6,008 (2014 - $nil) representing changes in fair value of the liability related to cash-settled stock based payment transactions.

Other derivatives

The Company has a number of total return swaps ("TRS") outstanding that are intended to reduce the variability of cash flows and, to a lesser extent, earnings associated with stock-based compensation awards that will settle in cash, namely, the DSUs and RSUs associated with the 2014 LTIP. The TRS do not qualify as accounting hedges and, therefore, the fair value adjustment at the end of each reporting period is recognized in other income (loss) in the consolidated statements of income. Each TRS has a term of one year or less, but each contract allows for partial settlements, at the option of the Company, over the term and without penalty.

In 2014, the Company entered into TRS contracts covering 2.4 million of the Company's underlying common shares. As at June 30, 2015, TRS contracts covering 1.8 million common shares remain outstanding. For the three and six months ended June 30, 2015, the Company recognized a gain of $3,584 (2014 - $nil) and $4,815 (2014 - $nil), respectively, in other income (loss) related to the revaluation of the TRS contracts.

Stock option plans

The aggregate number of common shares that can be issued under the 2005 Stock Option Plan shall not exceed 5,000,000. Each share option issuance under the 2005 Stock Option Plan specifies the period during which the share option thereunder is exercisable (which in no event shall exceed ten years from the date of grant) and the date the share option will expire. The Company's Board of Directors determines the vesting period on the dates of share option grants. The exercise price of share option grants equals the market price of the common shares on the grant date. The Company issues common shares on exercise of the options.

Details of common shares issued on the exercise of share options as well as details of changes in the balance of options outstanding are detailed below:

	For the six months ended June 30, 2015		For the year ended December 31, 2014	
	Number of share options	**Weighted average exercise price**	Number of share options	Weighted average exercise price
Balance outstanding - beginning of period	**500,000**	**$ 11.47**	768,332	$ 11.27
Forfeited/expired	**(50,000)**	**10.41**	-	-
Exercised	**-**	**-**	(268,332)	10.91
Balance outstanding - end of period	**450,000**	**11.59**	500,000	11.47
Options exercisable - end of period	**450,000**	**$ 11.59**	500,000	$ 11.47

Share options outstanding as at June 30, 2015 had the following exercise prices and expiry dates:

Share options granted in	Number of shares	Exercise price	Expiry date
2011	130,000	9.66	March 11, 2016
2012	140,000	12.95	March 7, 2017
2013	180,000	11.92	March 14, 2018
	450,000	$ 11.59	

Unless subsequently modified, all option grants have a term of five years from the date of grant and vest immediately or over a three-year period.

Other Stock-based Compensation – Director DSU Awards

In May 2014, the Board of Directors modified the director compensation program by replacing stock option grants to non-management directors with a director deferred share unit plan (the "Director DSU Plan"). A DSU is a right to receive an amount from the Company equal to the value of one common share. Commencing in 2014, directors have the option of receiving up to 50% of their annual retainer fee, that is otherwise payable in cash, in the form of DSUs pursuant to the Director DSU Plan. The number of DSUs awarded to a director is equal to the value of the compensation that a director elects to receive in DSUs or the value awarded by the Company on an annual basis divided by the volume weighted average trading price of a common share on the TSX for the five trading days prior to the date of the award. DSUs are redeemable on the first business day following the date the director ceases to serve on the Board.

DSUs are expensed in full on the date of grant. As a cash-settled award, the related liability is revalued to fair value at the end of each reporting period, and recognized in marketing, general and administrative expenses in the consolidated statements of income. Director DSUs have accompanying dividend equivalent rights, which are also expensed as earned in marketing, general and administrative expenses.

For the three and six months ended June 30, 2015, the Company recorded Director DSU compensation charges of $11 (2014 - $807) and $719 (2014 - $807), respectively.

Details of the changes in the balance of LTIP awards and Directors DSUs outstanding are detailed below:

	For the six months ended June 30, 2015		For the six months ended June 30, 2015	
	LTIP Share Units	**Weighted Average Grant Date Fair Value Per Unit**	**Director DSU**	**Weighted Average Grant Date Fair Value Per Unit**
Balance outstanding - beginning of period	**3,267,012**	**$ 11.66**	**46,936**	$ **16.80**
Granted	**962,342**	**11.66**	**67,512**	**11.48**
Dividend equivalent rights	**63,344**	**11.67**	**1,397**	**11.25**
Settled	**(488,864)**	**12.09**	**-**	**-**
Forfeited	**(9,360)**	**16.81**	**(66)**	**16.81**
Balance outstanding - end of period	**3,794,474**	**$ 11.59**	**115,779**	$ **13.67**

Amounts included in Contributed Surplus in the Consolidated Balance Sheets at June 30, 2015 in respect of LTIP and Director DSUs were $32,722 (December 31, 2014 - $nil) and $1,569 (December 31, 2014 - $nil), respectively.

21. EXPENSES

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Personnel	**$ 229,240**	$ 263,839	**$ 445,029**	$ 490,812
Subcontractors	**202,708**	152,593	**321,526**	267,206
Materials	**152,233**	96,335	**249,702**	152,873
Equipment costs	**46,885**	61,910	**90,292**	121,101
Depreciation of property, plant and equipment and amortization of intangible assets	**16,706**	14,136	**33,659**	30,964
Other expenses	**20,544**	14,705	**54,751**	30,810
Total expenses	**$ 668,316**	$ 603,518	**$ 1,194,959**	$ 1,093,766

Reported as:

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Direct costs and expenses	**$ 609,392**	$ 545,529	**$ 1,074,013**	$ 974,586
Marketing, general and administrative expenses	**42,218**	43,853	**87,287**	88,216
Depreciation and amortization	**16,706**	14,136	**33,659**	30,964
Total expenses	**$ 668,316**	$ 603,518	**$ 1,194,959**	$ 1,093,766

22. OTHER INCOME (LOSS)

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Loss on mark-to-market of LTIP program	**$ (1,346)**	-	**$ (1,193)**	-
Foreign exchange gain (loss)	**670**	$ 131	**(115)**	$ 572
Gain (loss) on sale of property, plant and equipment	**467**	(538)	**(278)**	(563)
Restructuring costs	**-**	-	**-**	(2,555)
Gain on sale of subsidiary	**14,140**	-	**14,140**	-
Total other income (loss)	**$ 13,931**	$ (407)	**$ 12,554**	$ (2,546)

The net mark-to-market gain (loss) related to the long-term incentive plan ("LTIP") program results from remeasuring both the LTIP liability and related total return swaps, at fair value at the reporting dates. See Note 20, *"Capital Stock,"* for further details.

On April 10, 2015, the Company sold its wholly-owned subsidiary, Innovative Steam Technologies Inc. ("IST"). Gross cash proceeds of the sale were $35,000, with potential additional proceeds over the following two years contingent on IST achieving certain earn-out conditions based on performance. For both the three and six months ended June 30, 2015, a gain of $14,140 was included in other income (loss) in the consolidated income statements (2014 - $nil).

IST designs, engineers, manufactures and installs Once Through Steam Generators (OTSGs) for the power generation and enhanced oil recovery industries. The financial results of IST are reported in the Energy segment.

Restructuring costs include a loss on disposal of a subsidiary of $2,555 in the first quarter of 2014 that resulted from the closure of the buildings business unit in Seattle within the Infrastructure segment. The resulting loss included a $1,209 write-down of goodwill and $1,346 of personnel and other closure costs.

23. FINANCE COSTS

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Interest on long-term debt and debentures	**$ 5,867**	$ 10,061	**$ 11,594**	$ 20,191
Interest on finance leases	**894**	1,340	**2,078**	2,569
Interest on short-term debt	**609**	200	**1,303**	532
Notional interest on provisions	**52**	59	**185**	115
Total finance costs	**$ 7,422**	$ 11,660	**$ 15,160**	$ 23,407

24. EARNINGS (LOSS) PER SHARE

Details of the calculations of earnings per share are set out below:

	For the three months ended		For the six months ended	
	June 30 2015	June 30 2014	**June 30 2015**	June 30 2014
Profit (loss) attributable to shareholders	**$ 12,369**	$ (12,215)	**$ (4,610)**	$ (38,116)
Interest on convertible debentures, net of tax[1]	**3,861**	7,132	**7,718**	14,232
Fair value gain on convertible debentures, net of tax	**(131)**	(1,692)	**(103)**	(439)
Diluted net earnings (loss)	**$ 16,099**	$ (6,775)	**$ 3,005**	$ (24,323)
Average number of common shares outstanding	**56,303,301**	53,386,670	**56,228,328**	53,195,927
Effect of dilutive securities[1]				
Options	**34,680**	165,763	**23,629**	158,221
Convertible debentures[1]	**21,133,158**	26,809,350	**23,583,214**	27,414,334
Shares held in trust account in respect of a long-term incentive plan	**82,431**	2,917,186	**82,431**	2,917,186
Weighted average number of diluted common shares outstanding	**77,553,570**	83,278,969	**79,917,602**	83,685,668
Basic earnings (loss) per share	**$ 0.22**	$ (0.23)	**$ (0.08)**	$ (0.72)
Diluted earnings (loss) per share[1]	**$ 0.21**	$ (0.23)	**$ (0.08)**	$ (0.72)

[1] When the impact of dilutive securities increases the earnings per share or decreases the loss per share, they are excluded for purposes of the calculation of diluted earnings per share.

25. SUPPLEMENTARY CASH FLOW INFORMATION

Change in other balances relating to operations

	For the six months ended	
	June 30 2015	June 30 2014
Decrease (increase) in:		
Trade and other receivables	**$ (49,080)**	$ 76,701
Unbilled revenue	**(34,253)**	(35,759)
Inventories	**(1,073)**	(4,467)
Prepaid expenses	**(1,047)**	2,214
Increase (decrease) in:		
Trade and other payables	**23,827**	(103,576)
Provisions	**(1,984)**	(725)
Deferred revenue	**(8,350)**	(2,754)
	$ (71,960)	$ (68,366)

Cash flows from interest

	For the six months ended	
	June 30 2015	June 30 2014
Operating activities		
Cash interest paid	**$ (12,181)**	$ (17,790)
Cash interest received	**219**	6

	For the six months ended	
	June 30 2015	June 30 2014
Non-cash transactions		
Property, plant and equipment acquired and financed by finance leases	**$ 7,904**	$ 9,048

26. FINANCIAL INSTRUMENTS

Fair value

During the second quarter of 2015, the Company entered into a cash flow hedge using foreign exchange forward contracts to hedge the foreign currency exposure on the expected proceeds from the sale of Quiport which was an asset held for sale as at June 30, 2015 (see Note 8, "Investment in Joint Venture Classified As Held For Sale" for further details). As at June 30, 2015, there were U.S. dollar foreign exchange forward contracts entered into totalling US$200,000 and the fair value (before tax) of the cash flow hedge was a loss of $3,477 which is recognized in Accumulated Other Comprehensive Income ("AOCI") in the Consolidated Balance Sheets. No ineffectiveness was recognized in net income.

In addition to the above, from time to time, the Company enters into forward contracts and other foreign exchange hedging products to manage its exposure to changes in exchange rates related to transactions denominated in currencies other than the Canadian dollar, but does not hold or issue such financial instruments for speculative trading purposes. As at June 30, 2015, the Company had outstanding contracts to buy €534, sell US$12,132 and buy US$134 (December 31, 2014 – buy €272, sell US$12,491 and buy US$401) on which there was a net unrealized exchange loss of $1,047 (December 31, 2014 - loss of $593). The net unrealized exchange gain or loss represents the estimated amount the Company would have received/paid if it terminated the contracts at the end of the respective periods, and is included in other income (loss) in the consolidated statements of income.

IFRS 13 *"Fair Value Measurement"* enhances disclosures about fair value measurements. Fair value is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy is based on three levels of inputs. The first two levels are considered observable and the last unobservable. These levels are used to measure fair values as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

- Level 2 – Inputs, other than Level 1 inputs, that are observable for assets and liabilities, either directly or indirectly. Level 2 inputs include: quoted market prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

	As at June 30, 2015			
	Total	**Level 1**	**Level 2**	**Level 3**
Financial assets (liabilities) measured at fair value:				
Convertible debentures - embedded derivative	$ (34)	$ -	$ -	$ (34)
Total return swaps ("TRS")	(7,518)	-	(7,518)	-
Cash flow hedge	(3,477)		(3,447)	
Financial assets (liabilities) disclosed at fair value:				
Current portion of long-term debt	(73,684)	-	(73,684)	-
Long-term debt	(97,938)	-	(97,938)	-
Convertible debentures	(275,789)	(275,789)	-	-

As explained in Note 16, the 2015 convertible debentures contain an embedded derivative that must be measured at fair value at each reporting date with gains and losses in fair value recognized through profit or loss. The fair value of the embedded derivative is determined using the quoted market price of the convertible debentures and apportioning the value between the debt and the embedded derivative components of the instruments. Two of the most significant assumptions impacting the Company's valuation of these embedded derivatives are the implied volatility and credit spread inputs. For the 2015 debentures, the Company used an implied volatility of 28.86% and a credit spread of 0.27%. A 1% change in the implied volatility factor would have changed the fair value of the embedded derivative by $11 and a 1% change in the credit spread factor would have changed the fair value of the embedded derivative by $309.

The fair value of the TRS is determined using the Company's common share price on the last business day of the fiscal period, as quoted on the Toronto Stock Exchange.

The fair value of the cash flow hedge is determined using the U.S./Canadian dollar foreign exchange on the last business day of the fiscal period.

Changes in the fair value of Level 3 financial instruments are as follows:

		June 30 2015
Convertible debentures - embedded derivatives - opening balance	$	(173)
Net gain recognized in income during the period		139
Convertible debentures - embedded derivatives - ending balance	$	**(34)**

During the six month period ended June 30, 2015, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

Risk management
The main risks arising from the Company's financial instruments are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from exposures that occur in the normal course of business and are managed on a consolidated Company basis.

Credit risk
Concentration of credit risk associated with accounts receivable, holdbacks receivable and unbilled revenue is limited by the Company's diversified customer base and its dispersion across different business and geographic areas.

As at June 30, 2015, the Company had $66,710 in trade receivables that were past due. Of this amount, $39,692 was over 60 days past due, against which the Company has recorded an allowance for doubtful accounts of $1,658.

Liquidity risk
Liquidity risk is the risk the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash or another financial asset.

Contractual maturities for financial liabilities as at June 30, 2015 are as follows:

	Due within one year	Due between one and five years	Due after five years	Total undiscounted cash flows	Effect of interest	Carrying value
Bank indebtedness	$ -	$ 86,556	$ -	$ 86,556	$ -	$ 86,556
Trade and other payables	$ 483,399	$ 14,514	$ -	$ 497,913	$ (452)	$ 497,461
Finance leases	$ 35,300	$ 50,231	$ 143	$ 85,674	$ (4,223)	$ 81,451
Equipment and other loans	40,509	54,197	3,815	98,521	(6,018)	92,503
	75,809	104,428	3,958	184,195	(10,241)	173,954
Convertible debentures	92,000	172,500	-	264,500	(13,810)	250,690
Long-term financial liabilities	$ 167,809	$ 276,928	$ 3,958	$ 448,695	$ (24,051)	$ 424,644

Interest rate risk
The Company is exposed to interest rate risk on its short-term deposits and its long-term debt to the extent that its investments or credit facilities are based on floating rates of interest.

For the six months ended June 30, 2015, a 1% increase or a 1% decrease in interest rates applied to the Company's variable rate long-term debt would not have a significant impact on net earnings or comprehensive income.

Currency risk
The Company operates internationally and is exposed to risk from changes in foreign currency rates. The Company is mainly exposed to fluctuations in the US dollar.

The Company's sensitivity to a 10% change in the US dollar against the Canadian dollar as at June 30, 2015 to profit or loss for currency exposures other than those discussed above would be $700. The sensitivity analysis includes foreign currency denominated monetary items but excludes all investments in joint ventures and hedges and adjusts their translation at year-end for the above 10% change in foreign currency rates.

27. CAPITAL DISCLOSURES

For capital management purposes, the Company defines capital as the aggregate of its shareholders' equity and debt. Debt includes the current and non-current portions of long-term debt (excluding non-recourse debt) and the current and non-current long-term debt components of convertible debentures.

Although the Company monitors capital on a number of bases, including liquidity and working capital, total debt (excluding non-recourse debt and drawings on the Company's credit facility presented as bank indebtedness) as a percentage of total capitalization (debt to capitalization percentage) is considered to be the most important metric in measuring the strength and flexibility of its consolidated balance sheets. As at June 30, 2015, the debt to capitalization percentage including convertible debentures as debt was 38% (December 31, 2014 – 40%). If the convertible debentures were to be excluded from debt and added to equity on the basis that they could be redeemed for equity, either at the Company's option or at the holder's option, then the adjusted debt to capitalization percentage would be 16% as at June 30, 2015

(December 31, 2014 – 18%). While the Company believes this debt to capitalization percentage is acceptable, because of the cyclical nature of its business, the Company will continue its current efforts to maintain a conservative capital position.

As at June 30, 2015, the Company complied with all of its financial debt covenants.

28. OPERATING SEGMENTS

Segment reporting is based on the Company's divisional operations. The breakdown by division mirrors the Company's internal reporting systems.

The Company operates in four principal segments within the construction and infrastructure development industry: Infrastructure, Energy, Mining and Concessions. The other costs and eliminations category in the summary below includes corporate costs and other activities not directly allocable to segments and also includes inter-segment eliminations.

	For the three months ended June 30, 2015					
	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Statement of income						
External customer revenue	$ 223,501	$ 297,693	$ 145,381	$ 736	$ -	**$ 667,311**
Inter-segment revenue	673	1,541	2,309	-	(4,523)	**-**
Total revenue	224,174	299,234	147,690	736	(4,523)	**667,311**
Which includes:						
Construction revenue	224,174	299,234	147,690	-	(4,523)	**666,575**
Concession revenue	-	-	-	736	-	**736**
Expenses	$ (222,172)	$ (295,500)	$ (143,112)	$ (2,605)	$ (4,927)	**$ (668,316)**
Which include:						
Depreciation and amortization	(4,287)	(3,807)	(6,160)	(20)	(2,432)	**(16,706)**
Other income (loss):						
Foreign exchange gain (loss)	$ (72)	$ 554	$ 104	$ (77)	$ 161	**$ 670**
Gain on sale of subsidiary	-	14,140	-	-	-	**14,140**
Gain (loss) on sale of property, plant and equipment	653	209	(395)	-	-	**467**
(Loss) on mark to market of LTIP program	-	-	-	-	(1,346)	**(1,346)**
Income from projects accounted for using the equity method	$ 1,153	$ 21	$ 137	$ 5,569	$ -	**$ 6,880**
Operating profit	$ 3,736	$ 18,658	$ 4,424	$ 3,623	$ (10,635)	**$ 19,806**
Finance income (cost):						
Finance income						**$ 221**
Finance cost						**(7,422)**
Fair value gain on convertible debentures						**177**
Profit before income taxes						**$ 12,782**
Income tax expense						**(413)**
Profit for the period						**$ 12,369**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Balance sheet						
Segment assets	$ 742,881	$ 434,613	$ 382,623	$ 261,524	$ 71,276	**$ 1,892,917**
Which include:						
Projects accounted for using the equity method	19,554	1,026	5,864	220	-	**26,664**
Investment in Joint Venture classified as held for sale	-	-	-	243,537	-	**243,537**
Segment liabilities	$ 679,931	$ 55,044	$ 233,010	$ 185,781	$ 50,078	**$ 1,203,844**
Additions to non-current assets:						
Property, plant and equipment	$ 1,820	$ 4,401	$ 4,207	$ -	$ 628	**$ 11,056**
Intangible assets	$ -	$ -	$ -	$ -	$ 6,524	**$ 6,524**

For the six months ended June 30, 2015						
	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Consolidated Statements of Income						
External customer revenue	$ 340,057	$ 545,312	$ 282,170	$ 1,292	$ -	**$ 1,168,831**
Inter-segment revenue	787	4,323	3,118	-	(8,228)	**-**
Total revenue	340,844	549,635	285,288	1,292	(8,228)	**1,168,831**
Which includes:						
Construction revenue	340,844	549,635	285,288	-	(8,228)	**1,167,539**
Concession revenue	-	-	-	1,292	-	**1,292**
Expenses	$ (359,837)	$ (552,889)	$ (267,666)	$ (5,286)	$ (9,281)	**$ (1,194,959)**
Which include:						
Depreciation and amortization	(8,186)	(7,742)	(13,620)	(41)	(4,070)	**(33,659)**
Other income (loss):						
Foreign exchange gain (loss)	$ (41)	$ (366)	$ 207	$ 324	$ (239)	**$ (115)**
Gain on sale of subsidiary	-	14,140	-	-	-	**14,140**
Gain (loss) on sale of property, plant and equipment	768	375	(1,384)	-	(37)	**(278)**
(Loss) on mark-to-market of LTIP program	-	-	-	-	(1,193)	**(1,193)**
Income from projects accounted for using the equity method	$ 962	$ 57	$ 298	$ 13,902	$ -	**$ 15,219**
Operating profit	$ (17,304)	$ 10,952	$ 16,743	$ 10,232	$ (18,978)	**$ 1,645**
Finance income (cost):						
Finance income						**$ 475**
Finance costs						**(15,160)**
Fair value gain on convertible debentures						**139**
Loss before income taxes						**$ (12,901)**
Income tax recovery						**8,291**
Loss for the period						**$ (4,610)**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Balance Sheet						
Additions to non-current assets:						
Property, plant and equipment	$ 4,684	$ 5,220	$ 5,683	$ -	$ 1,246	**$ 16,833**
Intangible assets	$ -	$ 200	$	$ -	$ 13,949	**$ 14,149**

For the three months ended June 30, 2014	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Statement of income						
External customer revenue	$ 190,392	$ 291,478	$ 106,911	$ 785	$ -	**$ 589,566**
Inter-segment revenue	707	2,600	-	-	(3,307)	**-**
Total revenue	191,099	294,078	106,911	785	(3,307)	**589,566**
Which includes:						
Construction revenue	191,099	294,078	106,911	-	(3,307)	**588,781**
Concession revenue	-	-	-	785	-	**785**
Expenses	$ (200,538)	$ (280,039)	$ (115,266)	$ (1,709)	$ (5,966)	**$ (603,518)**
Which include:						
Depreciation and amortization	(4,411)	(3,627)	(4,530)	(20)	(1,548)	**(14,136)**
Other income (loss):						
Foreign exchange gain (loss)	$ (46)	$ 368	$ (69)	$ (122)	$ -	**$ 131**
Gain (loss) on sale of property, plant and equipment	387	332	(1,285)	-	28	**(538)**
Income from projects accounted for using the equity method	$ 210	$ 34	$ 152	$ 6,182	$ -	**$ 6,578**
Operating profit (loss)	$ (8,888)	$ 14,773	$ (9,557)	$ 5,136	$ (9,245)	**$ (7,781)**
Finance income (cost):						
Finance income						**$ 302**
Finance cost						**(11,660)**
Fair value gain on convertible debentures						**2,302**
Loss before income taxes						**$ (16,837)**
Income tax recovery						**4,622**
Loss for the period						**$ (12,215)**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Balance sheet						
Segment assets	$ 666,090	$ 665,192	370,065	$ 239,077	$ (95,523)	**$ 1,844,901**
Which include:						
Projects accounted for using the equity method	21,943	2,230	11,237	205,812	-	**241,222**
Segment liabilities	$ 614,487	$ 262,454	253,172	$ 192,140	$ (27,039)	**$ 1,295,214**
Additions to non-current assets:						
Property, plant and equipment	$ 2,709	$ 4,823	6,826	$ -	$ 946	**$ 15,304**
Intangible assets	$ -	$ 5	-	$ -	$ 8,441	**$ 8,446**

					For the six months ended June 30, 2014	
	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Consolidated Statements of Income						
External customer revenue	$ 296,231	$ 539,427	$ 214,428	$ 1,353	$ -	**$ 1,051,439**
Inter-segment revenue	1,326	2,866	-	-	(4,192)	**-**
Total revenue	297,557	542,293	214,428	1,353	(4,192)	**1,051,439**
Which includes:						
Construction revenue	297,557	542,293	214,428	-	(4,192)	**1,050,086**
Concession revenue	-	-		1,353	-	**1,353**
Expenses	$ (328,421)	$ (528,140)	$ (219,496)	$ (3,515)	$ (14,194)	**$ (1,093,766)**
Which include:						
Depreciation and amortization	(8,512)	(7,376)	(11,856)	(197)	(3,023)	**(30,964)**
Other income (loss):						
Foreign exchange gain (loss)	$ (13)	$ 169	$ 307	$ 88	$ 21	**$ 572**
Gain (loss) on sale of property, plant and equipment	439	434	(1,536)	-	100	**(563)**
Restructuring costs	(2,555)	-	-	-	-	**(2,555)**
Income from projects accounted for using the equity method	$ 849	$ 241	$ 1,084	$ 11,725	$ -	**$ 13,899**
Operating profit (loss)	$ (32,144)	$ 14,997	$ (5,213)	$ 9,651	$ (18,265)	**$ (30,974)**
Finance income (cost):						
Finance income						**$ 906**
Finance costs						**(23,407)**
Fair value loss on convertible debentures						**597**
Loss before income taxes						**$ (52,878)**
Income tax recovery						**14,762**
Loss for the period						**$ (38,116)**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Balance Sheet						
Additions to non-current assets:						
Property, plant and equipment	$ 5,861	$ 6,686	7,632	$ -	$ 1,424	**$ 21,603**
Intangible assets	$ -	$ 24	-	$ -	$ 16,134	**$ 16,158**

29. COMPARATIVE FIGURES

Certain comparative figures for 2014 have been reclassified to conform to the presentation adopted in the current year. In the consolidated statements of income for the three and six months ended June 30, 2014, direct costs and expenses decreased by $3,567 and $6,934, respectively, and marketing, general and administrative expenses increased by $3,567 and $6,934, respectively.

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