AECON GROUP INC.

We **ARE** Aecon

Third Quarter Report 2017

AECON

Dear Fellow Shareholders,

As announced on October 26, 2017, Aecon has entered into a definitive agreement with CCCC International Holding Limited (CCCI) under which CCCI will acquire all of the issued and outstanding common shares of Aecon for $20.37 per share in cash. This purchase price represents a 42 per cent premium to Aecon's unaffected share price on August 24, 2017 (the last trading day prior to an announcement that the Company had engaged financial advisors to explore a potential sale).

This transaction is the result of an active and diligent sale process that has enabled us to select an outstanding partner and create significant shareholder value – a very positive outcome for Aecon and our key stakeholders. By joining the world's largest network of engineering and construction companies, Aecon expects to strengthen its competitive position in Canada and abroad, with enhanced capabilities and financial resources.

The board of directors, after consulting with its financial and legal advisors, has unanimously determined that the transaction is in the best interest of Aecon and that the consideration being offered to Aecon shareholders is fair from a financial point of view. The board has resolved to unanimously recommend that Aecon shareholders vote their shares in favour of the arrangement resolution at the Special Meeting of shareholders to be held on December 19, 2017 in the Greater Toronto Area. In connection with the proposed transaction, each director and senior officer of Aecon has agreed to support and vote their shares in favour of the arrangement resolution.

The transaction will be implemented by way of a statutory plan of arrangement under the Canada Business Corporations Act and is subject to customary closing conditions, including court approval of the arrangement; approval of two-thirds of the votes cast by holders of common shares in person or by proxy at a special meeting of Aecon shareholders; and applicable government and regulatory approvals under the Investment Canada Act, the Canadian Competition Act and from relevant authorities in China. The parties expect to close the transaction by the end of the first quarter of 2018.

Further detailed information regarding the transaction will be included in the material change report and in the management proxy circular expected to be mailed to Aecon shareholders in late November. Copies of the definitive agreement, material change report, and management proxy circular will also be available on SEDAR at www.sedar.com.

We also reported our Q3 2017 financial results on October 26, 2017. The Company's solid quarterly results illustrate the stability provided by Aecon's diversified business model with continued Adjusted EBITDA margin improvement. For the three months ended September 30, 2017, Adjusted EBITDA of $59 million (margin of 7.7 per cent) compared to Adjusted EBITDA of $60 million (margin of 7.2 per cent) in the third quarter of 2016. We continue to be very active bidding on the robust pipeline of opportunities in front of us that will drive revenue growth in 2018 and beyond.

Aecon expects lower overall revenue in 2017 primarily based on lower revenue in the first nine months of the year in Mining and Infrastructure and an expectation of lower revenue in Mining in the fourth quarter when compared to 2016. This is offset by an expectation that Adjusted EBITDA margin improvement in 2017 will result in an overall improvement in Adjusted EBITDA in the year.

Sincerely,

(Signed) Brian V. Tobin	(Signed) John M. Beck
Chairman	President and Chief Executive Officer

October 26, 2017

Aecon Group Inc.

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

September 30, 2017

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 September 30, 2017 interim condensed consolidated financial statements and notes, which have not been reviewed by the Company's external auditors, and in conjunction with the Company's annual MD&A for the year ended December 31, 2016. This MD&A has been prepared as of October 25, 2017. Additional information on 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 that 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 27, 2017 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 sale of assets and investments, and net income (loss) from projects accounted for using the equity method, but including "Equity Project EBITDA" from projects accounted for using the equity method.
- **"Equity Project 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.
- **"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 in respect of such work is reasonably assured. Operations and maintenance ("O&M") activities are provided under contracts that can cover a period of up to 30 years. In order to provide information that is comparable to the backlog of other categories of activity, Aecon limits backlog for O&M activities to the earlier of the contract term and the next five years.

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 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 2016 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 September 30		Nine months ended September 30	
	2017	2016	**2017**	2016
Revenue	**$ 759.7**	**$ 838.1**	**$ 2,120.7**	**$ 2,368.1**
Gross profit	99.3	96.0	221.9	210.9
Marketing, general and administrative expenses	(46.4)	(42.5)	(140.2)	(132.1)
Income from projects accounted for using the equity method	3.2	2.1	6.2	4.3
Foreign exchange gain	-	1.3	2.5	2.6
Gain on sale of assets	1.5	0.5	0.2	1.2
Depreciation and amortization	(24.5)	(14.3)	(69.6)	(47.8)
Operating profit	**33.1**	**43.1**	**21.1**	**39.2**
Financing expense, net	(5.9)	(5.5)	(16.8)	(16.3)
Profit before income taxes	**27.2**	**37.6**	**4.4**	**22.9**
Income tax recovery (expense)	(2.6)	(10.2)	2.7	(5.2)
Profit	**$ 24.6**	**$ 27.4**	**$ 7.1**	**$ 17.7**
Gross profit margin	**13.1%**	**11.5%**	**10.5%**	**8.9%**
MG&A as a percent of revenue	**6.1%**	**5.1%**	**6.6%**	**5.6%**
Adjusted EBITDA	**58.7**	**60.0**	**98.6**	**93.6**
Adjusted EBITDA margin	**7.7%**	**7.2%**	**4.6%**	**4.0%**
Operating margin	**4.4%**	**5.1%**	**1.0%**	**1.7%**
Earnings per share - basic	**$ 0.42**	**$ 0.48**	**$ 0.12**	**$ 0.31**
Earnings per share - diluted	**$ 0.37**	**$ 0.42**	**$ 0.11**	**$ 0.29**
Backlog			**$ 4,319**	**$ 4,551**

Revenue for the three months ended September 30, 2017 of $760 million was lower by $78 million, or 9%, compared to the third quarter of 2016. The largest decrease occurred in the Mining segment ($145 million) where a decrease in site installation work in the commodity mining sector ($146 million), and lower revenue from civil and foundations projects ($4 million), was only partially offset by higher revenue from contract mining activity ($5 million). Revenue in the Infrastructure segment was also lower ($13 million) as lower revenue in social infrastructure ($10 million) and transportation operations ($4 million) were only slightly offset by higher volume on heavy civil projects ($1 million). Revenue in the Energy segment increased ($55 million), driven by an increase in utilities operations ($56 million), while industrial operations were down slightly ($1 million). Higher revenue in the Concessions segment ($32 million), related to the Bermuda International Airport Redevelopment Project, was partially offset by higher inter-segment eliminations ($7 million), primarily related to revenue between the Infrastructure and Concessions segments.

Revenue in the first nine months of 2017 of $2,121 million was lower by $247 million, or 10%, compared to the same period in 2016. Lower revenue in the Mining segment ($317 million) was driven by decreases in commodity mining ($311 million) and civil and foundations work ($23 million), offset partially by an increase in contract mining ($17 million). Revenue in the Infrastructure segment was also lower ($53 million) as an increase in social infrastructure work ($14 million) was more than offset by lower volume in transportation ($60 million) and heavy civil operations ($7 million). Revenue was higher in the Energy segment ($93 million), with increases in both utilities ($87 million) and industrial operations ($6 million). Higher revenue in the Concessions segment ($104 million) was partially offset by higher inter-segment eliminations ($74 million), mostly related to revenue between the Infrastructure and Concessions segments.

Operating profit of $33.1 million for the third quarter of 2017 decreased by $10.0 million compared to operating profit of $43.1 million in the third quarter of 2016, despite an increase in gross profit of $3.3 million. Gross profit increases occurred in the Concessions segment ($14.8 million) from the commencement of the Bermuda International Airport Redevelopment Project in 2017 and in the Energy segment ($2.0 million), where an increase in the utilities sector more than offset a decrease in gross profit from industrial operations. Gross profit in the Mining segment decreased in the quarter ($10.4 million) as lower volume and gross profit in the commodity mining sector offset higher gross profit from contract mining work. Gross profit in the Infrastructure segment decreased in the quarter ($3.0 million), primarily from lower volume and gross profit on roadbuilding work in transportation operations.

Operating profit of $21.1 million for the first nine months of 2017 decreased by $18.1 million compared to an operating profit of $39.2 million in the same period in 2016. This was despite an improvement in gross profit of $11.0 million, which was in part due to a $6.5 million charge in the first nine months of 2016 recorded in Corporate within "Other and Eliminations" due to the outcome of a legal dispute. Gross profit increased in the Concessions segment ($28.2 million), for the same reasons cited for gross profit in the third quarter, in the Energy segment ($8.3 million) largely from volume-driven gross profit increases in utilities operations, and in the Infrastructure segment ($1.5 million) from gross profit margin increases in social infrastructure and heavy civil operations that offset lower volume and gross profit on roadbuilding work in transportation operations. Partially offsetting these increases was lower gross profit in the Mining segment ($33.4 million), where volume-driven decreases in the commodity mining sector, and, to a lesser extent, on civil and foundations projects, offset an increase in gross profit in contract mining.

Marketing, general and administrative expenses ("MG&A") increased by $3.9 million and $8.1 million for the three and nine-month periods ended September 30, 2017, respectively, compared to the same periods in 2016. MG&A in the third quarter of 2017 includes severance expense of $4.1 million and costs of $3.2 million related to activities pursuant to the previously disclosed strategic process to explore a potential sale of the Company. MG&A for the nine-month period in 2017 includes severance expense, primarily related to restructuring in Western Canada, of $13.8 million and the above-noted strategic process costs. MG&A as a percentage of revenue for the third quarter increased from 5.1% in 2016 to 6.1% in 2017, and for the nine-month period from 5.6% to 6.6%. The higher MG&A percentages for both periods reflects increased MG&A costs as well as the impact of lower revenue.

Aecon's participation in projects that 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. Aecon reported income of $3.2 million in the third quarter of 2017 from projects accounted for using this method of accounting, compared to $2.1 million in the same period in 2016. The higher income in the third quarter of 2017 was driven by an increase in the Concessions segment ($1.1 million) from light rail transit projects in Ontario. Income of $6.2 million for the first nine months of 2017 compared to $4.3 million in the same period in 2016. This increase was also driven by an increase in the Concessions segment ($2.5 million) from light rail transit projects in Ontario, but partially offset by lower contributions from projects in the Infrastructure segment ($0.6 million).

Depreciation and amortization expense of $24.5 million and $69.6 million in the third quarter and nine months ended September 30, 2017, respectively, was $10.2 million and $21.8 million higher than the same periods in 2016. The increases for both periods occurred primarily in the Concessions segment from amortization related to the existing airport concession granted as part of the Bermuda International Airport Redevelopment Project.

Financing expenses, net of interest income, of $5.9 million in the third quarter of 2017, and $16.8 million year-to-date in 2017, were $0.4 million and $0.5 million higher, respectively, than the same periods in 2016.

Set out in Note 20 of the September 30, 2017 interim condensed consolidated financial statements is a reconciliation between the expected income tax recovery (expense) for the first nine months of 2017 and 2016 based on statutory income tax rates and the actual income tax recovery (expense) reported for these periods.

Reported backlog as at September 30, 2017 of $4,319 million compares to backlog of $4,551 million as at September 30, 2016. New contract awards of $714 million and $2,236 million were booked in the third quarter and year-to-date 2017, respectively, compared to $500 million and $3,658 million in the same periods a year ago.

Backlog $ millions	**As at September 30**			
		2017		2016
Infrastructure	**$**	**2,083**	$	1,876
Energy		**2,129**		2,475
Mining		**91**		200
Concessions		**16**		-
Consolidated	**$**	**4,319**	$	4,551

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 September 30**					
		2017			2016	
Next 12 months	**$**	**1,470**	**34%**	$	1,523	33%
Next 13-24 months		**903**	**21%**		609	13%
Beyond		**1,946**	**45%**		2,419	54%
	$	**4,319**	**100%**	$	4,551	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 September 30		Nine months ended September 30	
	2017	2016	**2017**	2016
Revenue	**$ 309.4**	$ 322.4	**$ 692.9**	$ 746.0
Gross profit	**$ 34.3**	$ 37.3	**$ 56.4**	$ 54.9
Adjusted EBITDA	**$ 22.6**	$ 26.4	**$ 15.2**	$ 20.1
Operating profit (loss)	**$ 17.8**	$ 20.8	**$ 1.2**	$ 5.3
Gross profit margin	**11.1%**	11.6%	**8.1%**	7.4%
Adjusted EBITDA margin	**7.3%**	8.2%	**2.2%**	2.7%
Operating margin	**5.8%**	6.5%	**0.2%**	0.7%
Backlog			**$ 2,083**	$ 1,876

For the three months ended September 30, 2017, revenue in the Infrastructure segment of $309 million was $13 million, or 4%, lower than the same period in 2016. The decrease was driven by lower revenue in social infrastructure ($10 million) primarily due to a lower volume of buildings work in Ontario. In addition, revenue was lower in transportation operations ($4 million), where higher roadbuilding volume in Western Canada was more than offset by lower roadbuilding activity in Ontario. Revenue increased slightly in heavy civil operations ($1 million) as higher civil construction work in Ontario was largely offset by reduced activity on hydroelectric projects in Western Canada.

For the nine months ended September 30, 2017, revenue of $693 million was $53 million, or 7%, lower than the first nine months of 2016. Most of the period-over-period decrease was caused by lower volume in transportation operations ($60 million) due to lower roadbuilding activity in Ontario, which was impacted by unusually wet weather in the first half of the year and the completion of a significant project that provided higher revenue in the previous year. Revenue was also lower in heavy civil operations ($7 million) as increased light rail construction in Ontario was offset by lower volume on hydroelectric projects in Western Canada. Partially offsetting these decreases was higher revenue in social infrastructure activity ($14 million), due primarily to the commencement of construction on the Bermuda International Airport Redevelopment Project in the first quarter of 2017.

Operating profit in the Infrastructure segment of $17.8 million in the third quarter of 2017 decreased by $3.0 million compared to an operating profit of $20.8 million in the same period in 2016. Operating profit decreased in heavy civil operations by $1.8 million, primarily from a volume-driven decrease in gross profit in Western

Canada as well as lower activity and earnings from construction projects accounted for using the equity method of accounting. Operating profit also decreased in transportation operations by $1.6 million, due primarily to lower volume and gross profit margin on roadbuilding activity in Ontario. Operating profit in social infrastructure operations increased by $0.4 million compared to the third quarter of 2016 as higher gross profit from buildings projects, including the Bermuda International Airport Redevelopment Project, was partially offset by lower gross profit margin on water treatment projects in Western Canada.

For the nine months ended September 30, 2017, operating profit of $1.2 million decreased by $4.1 million compared to an operating profit of $5.3 million in the first nine months of the prior year. The majority of the variance was driven by a $4.5 million decrease in the transportation sector due primarily to gross profit impacts of lower revenue in the nine-month period. Operating profit in heavy civil operations was unchanged over the previous period as an increase in gross profit from light rail projects in Eastern Canada was offset by a volume-driven decrease in gross profit in Western Canada. Operating profit in social infrastructure operations was up slightly by $0.4 million for the same reasons cited above for operating profit in the third quarter.

Infrastructure backlog at September 30, 2017 of $2,083 million was $207 million higher than at the same time in 2016. The largest increase in the segment occurred in social infrastructure operations ($371 million), primarily from the award of the Bermuda International Airport Redevelopment Project, and from new awards in the water treatment sector. Backlog in the transportation sector also increased ($25 million) year-over-year. Partially offsetting these increases was lower backlog in heavy civil operations ($189 million) as the execution of existing projects in the transportation and hydroelectric sectors outpaced new awards. New contract awards totaled $357 million in the third quarter of 2017 and $1,111 million year-to-date, compared to $78 million and $427 million, respectively, in the same periods in 2016.

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 September 30		Nine months ended September 30	
	2017	2016	**2017**	2016
Revenue	$ **379.4**	$ 324.5	$ **1,076.5**	$ 983.3
Gross profit	$ **33.9**	$ 31.9	$ **87.0**	$ 78.7
Adjusted EBITDA	$ **19.1**	$ 17.9	$ **48.7**	$ 37.3
Operating profit	$ **14.1**	$ 12.8	$ **32.3**	$ 21.9
Gross profit margin	**8.9%**	9.8%	**8.1%**	8.0%
Adjusted EBITDA margin	**5.0%**	5.5%	**4.5%**	3.8%
Operating margin	**3.7%**	3.9%	**3.0%**	2.2%
Backlog			$ **2,129**	$ 2,475

Revenue in the third quarter of 2017 of $379 million in the Energy segment was $55 million, or 17%, higher than the same period in 2016. Most of the increase is attributable to higher revenue in the utilities sector ($56 million), and offset slightly by lower revenue ($1 million) from industrial operations. The increase in utilities was driven primarily by the ramp-up of pipeline projects in Ontario and Western Canada, and, to a lesser extent, increased volume in the telecommunication and electricity distribution sectors. Higher industrial revenue in Eastern Canada ($18 million), largely from increased nuclear power work, was offset by lower revenue in Western Canada ($19 million), driven by lower fabrication, module assembly, and field construction activity in Alberta.

For the nine months ended September 30, 2017, Energy segment revenue of $1,077 million was $93 million, or 9%, higher than the same period last year, driven by higher revenue in both utilities ($87 million) and industrial operations ($6 million). The higher utilities revenue was driven by increases in pipeline, electricity, telecommunication, and gas distribution volume. Similar to the third quarter, revenue from industrial operations increased due to higher volume in Eastern Canada ($174 million), driven by an increase in nuclear work, and was partially offset by decreased fabrication, module assembly and field construction activity in Alberta ($168 million).

For the quarter ended September 30, 2017, operating profit of $14.1 million increased by $1.3 million compared to operating profit of $12.8 million in the same period in 2016. Operating profit from utilities increased by $6.9 million on the strength of volume-driven increases in gross profit. This increase was partially offset by a decrease in operating profit from industrial operations of $5.6 million following a decrease in gross profit margin.

For the nine months ended September 30, 2017, operating profit of $32.3 million increased by $10.4 million compared to operating profit of $21.9 million in the same period in 2016. Operating profit in utilities increased by $7.0 million for the same reasons cited for operating profit in the third quarter. Also contributing to the increase in the Energy segment was a $3.4 million increase in industrial operations where higher volume and related gross profit in Eastern Canada, and lower MG&A costs as a result of restructuring initiatives in Western Canada, were only partially offset by lower gross profit in Western Canada.

Backlog as at September 30, 2017 of $2,129 million was $346 million lower compared to the same time in 2016, driven by a decrease in industrial operations ($455 million), primarily in Eastern Canada ($445 million) due to the continued execution of significant projects in the nuclear and gas sectors. Backlog in Western Canada was also down year-over-year ($10 million) due to fewer new awards in the oil sector. Partially offsetting these decreases was higher backlog in utilities ($109 million) due primarily to pipeline project awards in Ontario and Western Canada, as well as higher awards in the gas distribution sector in Ontario. New contract awards of $255 million in the third quarter of 2017 were $4 million lower than the third quarter of 2016, and new awards of $834 million year-to-date in 2017 were $1,935 million lower than the same period in 2016, due mostly to the award of the Darlington Nuclear Refurbishment Project in the first quarter of 2016.

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 September 30		Nine months ended September 30	
	2017	2016	**2017**	2016
Revenue	$ **64.1**	$ 209.0	$ **347.8**	$ 665.3
Gross profit	$ **16.2**	$ 26.6	$ **49.9**	$ 83.3
Adjusted EBITDA	$ **11.2**	$ 21.2	$ **31.8**	$ 64.2
Operating profit	$ **6.4**	$ 17.5	$ **11.5**	$ 46.0
Gross profit margin	**25.2%**	12.7%	**14.3%**	12.5%
Adjusted EBITDA margin	**17.5%**	10.1%	**9.2%**	9.7%
Operating margin	**10.0%**	8.4%	**3.3%**	6.9%
Backlog			$ **91**	$ 200

Mining segment revenue in the third quarter of 2017 of $64 million was $145 million, or 69%, lower than the same period a year earlier. Most of the decrease was due to lower volume in the commodity mining sector ($146 million), as a large site installation project was completed earlier in the year. Revenue from civil and foundations work related to mining projects was also lower ($4 million) in the quarter. Contract mining revenue was higher ($5 million) as traditional contract mining work in Alberta increased compared to the same quarter in 2016.

For the nine months ended September 30, 2017, revenue of $348 million was $317 million, or 48%, lower than the comparable period in 2016. For the same reasons noted for the third quarter, revenue was lower in both the commodity mining sector ($311 million) and from civil and foundations projects ($23 million), while contract mining revenue increased ($17 million).

For the quarter ended September 30, 2017, operating profit of $6.4 million in the Mining segment decreased by $11.1 million, when compared to the same period in 2016. Most of the decrease in the segment was the result of lower volume and gross profit in the commodity mining sector ($17.4 million). Partially offsetting this decrease was a $5.5 million increase in the contract mining sector due to higher volume and gross profit margin compared to 2016, which was adversely affected by the wildfires in Fort McMurray. The third quarter of 2017 also benefitted from lower equipment fleet maintenance costs compared to the same period last year. Operating profit from civil and foundations work also increased ($0.8 million).

For the nine months ended September 30, 2017, operating profit in the Mining segment of $11.5 million decreased by $34.5 million compared to operating profit of $46.0 million in the same period in 2016. The decrease in operating profit followed the same pattern as the third quarter with lower operating profit recorded in the commodity mining sector ($39.3 million), and increases in contract mining ($3.3 million) and civil and foundations projects ($1.5 million).

Backlog as at September 30, 2017 of $91 million was $109 million lower than at the same time last year. Backlog decreased in the commodity mining ($129 million) and contract mining ($1 million) sectors, while backlog in civil and foundations increased over the prior year ($21 million). New contract awards of $92 million in the third quarter of 2017, and $271 million in the first nine months of 2017, were $89 million and $217 million lower, respectively, than the same periods in 2016.

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 September 30				Nine months ended September 30			
		2017		2016		**2017**		2016
Revenue	$	**32.7**	$	0.8	$	**106.6**	$	2.6
Gross profit	$	**15.0**	$	0.2	$	**28.6**	$	0.4
Income from projects accounted for using the equity method	$	**1.5**	$	0.4	$	**3.5**	$	1.0
Adjusted EBITDA	$	**18.6**	$	2.3	$	**37.8**	$	5.1
Operating profit (loss)	$	**7.5**	$	(0.1)	$	**11.2**	$	(1.5)
Backlog					$	**16**	$	-

Aecon holds a 100% interest in Bermuda Skyport Corporation Limited ("Skyport"), the concessionaire responsible for the Bermuda airport's operations, maintenance and commercial functions, and the entity that will manage and coordinate the overall delivery of the redevelopment project over a 30-year concession term. Aecon's participation in Skyport is consolidated and as such is accounted for in the consolidated financial statements by reflecting, line by line, the assets, liabilities, revenue and expenses of Skyport. However, Aecon's participation in the Eglinton Crosstown Light Rail Transit ("LRT") and Waterloo LRT concessions are joint ventures which are accounted for using the equity method.

Revenue in the Concessions segment of $33 million and $107 million in the third quarter and nine months ended September 30, 2017, respectively, was $32 million and $104 million higher than the same periods in 2016. The higher revenue in both periods was driven primarily by Skyport, which was awarded the Bermuda International Airport Redevelopment Project in the first quarter of 2017. Included in Skyport's revenue for the third quarter and first nine months of 2017 was $11 million and $61 million, respectively, of construction revenue that was eliminated on consolidation as inter-segment revenue.

For the three and nine-month periods ended September 30, 2017, operating profit of $7.5 million and $11.2 million, respectively, increased by $7.6 million and $12.7 million compared to the same periods in 2016. The higher operating profit resulted from the Bermuda International Airport Redevelopment Project and LRT concession projects in Ontario.

Except for Operations and Maintenance ("O&M") activities under contract for the next five years, Aecon does not include in its reported backlog expected revenue from concession agreements. As such, while Aecon expects future revenue from its concession assets, no concession backlog, other than from O&M activities, is reported.

Quarterly Financial Data

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

$ millions (except per share amounts)

	2017			2016				2015 (see Note 1)
	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4
Revenue	$ 759.7	$ 686.2	$ 674.9	$ 845.1	$ 838.1	$ 839.3	$ 690.7	$ 874.3
Adjusted EBITDA	58.7	33.0	6.9	64.7	60.0	29.4	4.2	57.3
Earnings (loss) before income taxes	27.2	(0.6)	(22.3)	42.6	37.6	6.6	(21.3)	78.9
Profit (loss)	24.6	0.8	(18.3)	29.1	27.4	7.1	(16.8)	47.7
Earnings (loss) per share:								
Basic	0.42	0.01	(0.32)	0.51	0.48	0.12	(0.29)	0.84
Diluted	0.37	0.01	(0.32)	0.43	0.42	0.12	(0.29)	0.68

(1) The sale of Aecon's investment in the Quito airport concession in December 2015, has impacted Aecon's quarterly results for 2015 when compared to the same periods in other years.

Earnings (loss) per share for each quarter has been computed using the weighted average number of shares issued and outstanding during the respective quarter. Any dilutive securities, which increase the earnings per share or decrease the loss per share, are excluded for purposes of calculating diluted earnings per share. Due to the impacts of dilutive securities, such as convertible debentures, and share issuances throughout the periods, the sum of the quarterly earnings (losses) per share will not necessarily equal the total for the year.

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

$ millions

	2017			2016				2015
	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4
Operating profit (loss)	$ 33.1	$ 5.3	$ (17.3)	$ 47.9	$ 43.1	$ 12.3	$ (16.3)	$ 85.6
Depreciation and amortization	24.5	24.4	20.6	16.3	14.3	14.4	19.0	17.0
(Gain) loss on sale of assets	(1.5)	0.2	1.1	(0.6)	(0.5)	(0.4)	(0.3)	(0.4)
Gain on sale of Quito airport concession investment	-	-	-	-	-	-	-	(48.8)
Income from projects accounted for using the equity method	(3.2)	(2.1)	(0.9)	(8.1)	(2.1)	(1.9)	(0.2)	(3.1)
Equity Project EBITDA	5.8	5.1	3.3	9.1	5.1	5.0	2.0	7.1
Adjusted EBITDA	$ 58.7	$ 33.0	$ 6.9	$ 64.7	$ 60.0	$ 29.4	$ 4.2	$ 57.3

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

$ millions

Aecon's proportionate share of projects accounted for using the equity method (1)	2017			2016				2015
	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4
Operating profit	**$ 5.7**	**$ 5.0**	**$ 3.2**	**$ 9.0**	**$ 5.0**	**$ 4.9**	**$ 1.9**	**$ 7.0**
Depreciation and amortization	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**
Equity Project EBITDA	**5.8**	**5.1**	**3.3**	**9.1**	**5.1**	**5.0**	**2.0**	**7.1**

(1) Refer to Note 11 "Projects Accounted for Using the Equity Method" in the 2017 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, 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 11 to the September 30, 2017 interim condensed consolidated financial statements.

Cash and Debt Balances

Cash balances at September 30, 2017 and December 31, 2016 are as follows:

$ millions		**September 30, 2017**		
		Balances excluding Joint Operations	**Joint Operations**	**Consolidated Total**
Cash and cash equivalents	(1)	**$ 22**	**$ 276**	**$ 298**
Restricted cash	(2)	**273**	**-**	**273**
Bank indebtedness	(3)	**(145)**	**-**	**(145)**
		December 31, 2016		
		Balances excluding Joint Operations	**Joint Operations**	**Consolidated Total**
Cash and cash equivalents	(1)	$ -	$ 232	$ 232
Bank indebtedness	(3)	(7)	-	(7)

(1) Cash and cash equivalents include cash on deposit in bank accounts of joint operations which Aecon cannot access directly.
(2) Restricted cash includes cash held by Bermuda Skyport Corporation Limited.
(3) Bank indebtedness represents borrowings on Aecon's revolving credit facility.

Total long-term recourse debt of $302.7 million as at September 30, 2017 compares to $302.8 million as at December 31, 2016, the composition of which is as follows:

$ millions				
		September 30, 2017		**December 31, 2016**
Current portion of long-term debt - recourse	**$**	**46.8**	$	51.6
Long-term debt - recourse		**88.2**		86.4
Convertible debentures		**167.7**		164.8
Total long-term debt	**$**	**302.7**	$	302.8
Long-term project debt - non-recourse	**$**	**351.1**	$	-

The $0.1 million net decrease in total long-term recourse debt results from a decrease in finance leases and equipment loans in the first nine months of 2017 of $3.0 million, offset partly by an increase in convertible debentures of $2.9 million related to the accretion of notional interest.

The $351.1 million increase in non-recourse project debt is related to financing of the Bermuda International Airport Redevelopment Project.

Aecon's liquidity position and capital resources are expected to be sufficient to finance its operations and working capital requirements for the foreseeable future. During the quarter, Aecon increased its committed revolving credit facility from $400 million to $500 million and extended its maturity by 11 months to September 28, 2021. Aecon's liquidity position is strengthened by its ability to draw on this credit facility of which $288 million was unutilized as at September 30, 2017. When combined with an additional $700 million letter of credit facility provided by Export Development Canada ("EDC"), Aecon's total credit facilities for working capital and letter of credit requirements total $1,200 million. As at September 30, 2017, Aecon was in compliance with all debt covenants related to its revolving credit facility.

In the first quarter of 2017, 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 $0.50 per share, to be paid in four quarterly payments of $0.125 per share. Prior to this increase, Aecon paid an annual dividend of $0.46 per share ($0.115 each quarter). The first quarterly dividend payment of $0.125 per share was paid on April 3, 2017.

Summary Of Cash Flows

$ millions	Consolidated Cash Flows	
	Nine months ended September 30	
	2017	2016
Cash provided by (used in):		
Operating activities	$ **19.2**	$ (66.5)
Investing activities	**(411.6)**	(8.1)
Financing activities	**460.1**	(6.0)
Increase (decrease) in cash and cash equivalents	**67.7**	(80.5)
Effects of foreign exchange on cash balances	**(1.5)**	0.1
Cash and cash equivalents - beginning of period	**231.9**	282.7
Cash and cash equivalents - end of period	$ **298.1**	$ 202.3

The construction industry in Canada is seasonal in nature for companies like Aecon that 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 rather than in the winter and early spring months. Accordingly, Aecon has historically experienced a seasonal pattern in its operating cash flow, 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 provided by operating activities of $19 million in the first nine months of 2017 compares with cash used by operating activities of $67 million in the same period in 2016. Most of the $86 million period-over-period increase in cash provided by operating activities resulted from lower investments in working capital.

Investing Activities

In the first nine months of 2017, investing activities resulted in cash used of $412 million, which compares to cash used of $8 million in the same period in 2016. Of the cash used in the first nine months of 2017, $105 million represents expenditures made by Skyport related to the construction of the new airport terminal in Bermuda (i.e. increase in concession rights of $105 million), and $286 million represents an increase in restricted cash balances. This restricted cash reflects the increase in Skyport’s cash balances during the period, but is cash that cannot be accessed by Aecon other than to finance the Bermuda International Airport Redevelopment Project. In addition, $19 million of cash was used for expenditures (net of disposals) on property, plant and equipment and intangible assets in the first nine months of 2017 compared to $17 million of cash used for such expenditures in the first nine months of 2016. Also, cash advances to projects accounted for using the equity method of $0.3 million compare to cash distributions of $9 million in the first nine months of 2016.

In the first nine months of 2017 Aecon acquired, either through purchase or finance leases, property, plant and equipment totalling $50 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 nine months of 2016 investments in property, plant and equipment totalled $34 million.

Financing Activities

In the first nine months of 2017, cash provided by financing activities amounted to $460 million, compared to cash used in financing activities of $6 million in the same period in 2016. The higher cash provided in the first nine months of 2017 was due largely to the addition of non-recourse project debt of $374 million in relation to the Bermuda International Airport Redevelopment Project and $9 million of other long-term debt borrowings, while repayments of debt totalled $42 million, for a net inflow of $341 million. The majority of the net debt repayment related to equipment financing arrangements. In the first nine months of 2016, net debt repayments totalled $30 million, relating primarily to equipment financing arrangements. In addition, in the first nine months of 2017, an increase in bank indebtedness associated with borrowings under the Company's revolving credit facility totalled $138 million compared to $40 million during the same period in 2016. Dividends of $21 million were paid in the first nine months of 2017, compared to $19 million in the same period in 2016. There was also $2 million of cash provided by the exercise of stock options in the first nine months of 2017 compared to $1 million of cash provided during the same period in 2016.

NEW ACCOUNTING STANDARDS

New accounting standards impacting the Company in 2017 and beyond are described in Note 6 to the September 30, 2017 interim condensed consolidated financial statements.

These new accounting standards had no significant impact on profit (loss), comprehensive income or earnings per share in the first nine months of 2017.

SUPPLEMENTAL DISCLOSURES

Disclosure Controls and Procedures

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

There have been no changes in the Company's internal controls over financial reporting during the period beginning on July 1, 2017 and ended on September 30, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Contractual Obligations

At December 31, 2016, the Company had commitments totaling $362 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 to these amounts since December 31, 2016.

At September 30, 2017, Aecon had contractual obligations to complete construction contracts that were in progress. The revenue value of these contracts was $4,319 million.

Further details on Contractual Obligations are included in the Company's 2016 Annual Report.

Off-Balance Sheet Arrangements

Aecon's defined benefit pension plans had a combined deficit of $2.9 million at September 30, 2017 (December 31, 2016 - $2.6 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 2016 Annual Report for further details regarding Aecon's defined benefit plans.

Further details of contingencies and guarantees are included in the September 30, 2017 interim condensed consolidated financial statements and in the 2016 Annual Report.

Related Party Transactions

There were no significant related party transactions in the first nine months of 2017.

Critical Accounting Estimates and Judgements

The reader is referred to the detailed discussion on Critical Accounting Estimates as outlined in Note 4 to the September 30, 2017 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 27, 2017 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 27, 2017.

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)		October 25, 2017
Number of common shares outstanding		58,894,155
Outstanding securities exchangeable or convertible into common shares:		
Number of stock options outstanding		120,000
Number of common shares issuable on exercise of stock options		120,000
Increase in paid-up capital on exercise of stock options	$	1,430
Principal amount of convertible debentures outstanding (see Note 18 to the September 30, 2017 interim condensed consolidated financial statements)	$	176,351
Number of common shares issuable on conversion of convertible debentures		8,625,000
Increase in paid-up capital on conversion of convertible debentures	$	176,351

OUTLOOK

Aecon expects lower overall revenue in 2017 primarily based on lower revenue in the first nine months of the year in Mining and Infrastructure and an expectation of lower revenue in Mining in the fourth quarter when compared to 2016. This is offset by an expectation that Adjusted EBITDA margin improvement in 2017 will result in an overall improvement in Adjusted EBITDA in the year.

Infrastructure segment backlog at the end of the third quarter of 2017 was $2,083 million compared to $1,876 million at the same time last year. Increased infrastructure investment to address the significant infrastructure deficit in Canada is a key area of focus for federal, provincial, and municipal governments, and Aecon is well positioned to successfully bid on, secure, and deliver these projects. Bidding activity continues to be robust and Aecon expects to be a beneficiary of this increased infrastructure investment, which will drive growth in this segment in 2018 and beyond.

Backlog in the Energy segment was $2,129 million at the end of the third quarter of 2017 compared to $2,475 million at the same time last year. Revenue from Aecon's fabrication and modular assembly services will be lower in 2017 compared to the prior year due to decreased fabrication and field work opportunities in Western Canada. Aecon expects increased ongoing demand for gas distribution facilities, utilities work, pipelines, power, and nuclear refurbishment in 2017 and 2018 will offset lower oil related fabrication and modular assembly volume. Aecon's capability in the nuclear refurbishment sector, combined with the approximately fifteen-year refurbishment project at the Bruce Power Nuclear Plant in Ontario currently in the development and procurement phase, provides a significant long-term growth opportunity for Aecon in nuclear work.

Backlog in the Mining segment at the end of the third quarter of 2017 was $91 million compared to $200 million at the end of the third quarter of 2016, in large part due to the completion of a large potash process installation project. Commodity prices generally remain soft, which is reducing the number of new projects under construction. Although Aecon is involved in a number of pursuits related to potential projects, the timing of when these projects may move into construction is uncertain. Contract mining, which is primarily recurring revenue work over and above what is reported as backlog for the segment, is expected to grow in 2018 with a new operating site coming on line late in 2017.

The Concessions segment continues to play a significant role in driving value at Aecon. The Concessions group continues to partner with Aecon's other segments to focus on the significant number of Public Private Partnership ("P3") opportunities and is actively pursuing a number of large-scale infrastructure projects that require private finance solutions. It is also participating as a concessionaire on the Waterloo and Eglinton Crosstown LRT projects as well as the Bermuda International Airport Redevelopment Project.

The overall outlook for the fourth quarter of 2017 and through 2018 remains positive with areas of strength in Aecon's business expected to outweigh the impact of softness in certain markets. All four segments continue to bid on opportunities that should enhance the level of backlog and support the goals of improving Adjusted EBITDA margin.

AECON GROUP INC.
THIRD QUARTER

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2017

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2017 AND 2016

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MANAGEMENT REPORT
October 25, 2017

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 condensed 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 the Company's auditor. These interim condensed 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) John M. Beck, President and Chief Executive Officer

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

CONSOLIDATED BALANCE SHEETS

AS AT SEPTEMBER 30, 2017 AND DECEMBER 31, 2016

(in thousands of Canadian dollars) (unaudited)

	Note	September 30 2017	December 31 2016
ASSETS			
Current assets			
Cash and cash equivalents	7	$ 298,077	$ 231,858
Restricted cash	7	273,398	-
Trade and other receivables	8	571,234	604,759
Unbilled revenue	9	721,088	492,848
Inventories	10	26,648	28,460
Income tax recoverable		6,105	19,275
Prepaid expenses		9,041	12,100
		1,905,591	1,389,300
Non-current assets			
Long-term financial assets		3,194	2,633
Projects accounted for using the equity method	11	35,041	27,618
Deferred income tax assets		34,882	23,908
Property, plant and equipment	12	450,446	450,368
Intangible assets	13	275,813	111,658
		799,376	616,185
TOTAL ASSETS		$ 2,704,967	$ 2,005,485
LIABILITIES			
Current liabilities			
Bank indebtedness	14	$ 145,000	$ 7,476
Trade and other payables	15	703,686	577,333
Provisions	16	12,654	20,530
Deferred revenue	9	185,998	201,408
Income taxes payable		7,255	6,449
Current portion of long-term debt	17	46,772	51,568
		1,101,365	864,764
Non-current liabilities			
Provisions	16	5,772	5,096
Non-recourse project debt	17	351,059	-
Long-term debt	17	88,230	86,403
Convertible debentures	18	167,677	164,778
Concession related deferred revenue	19	117,732	7,111
Deferred income tax liabilities		115,375	119,767
Other liabilities		4,647	3,967
		850,492	387,122
TOTAL LIABILITIES		1,951,857	1,251,886
EQUITY			
Capital stock	23	361,504	346,770
Convertible debentures	18	8,674	8,674
Contributed surplus		43,352	43,060
Retained earnings		342,301	357,218
Accumulated other comprehensive loss		(2,721)	(2,123)
TOTAL EQUITY		753,110	753,599
TOTAL LIABILITIES AND EQUITY		$ 2,704,967	$ 2,005,485

Contingencies (Note 22)

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

CONSOLIDATED STATEMENTS OF INCOME

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016
(in thousands of Canadian dollars, except per share amounts) (unaudited)

		For the three months ended		For the nine months ended	
	Note	**September 30 2017**	September 30 2016	**September 30 2017**	September 30 2016
Revenue		**$ 759,684**	$ 838,069	**$ 2,120,714**	$ 2,368,082
Direct costs and expenses	24	**(660,396)**	(742,039)	**(1,898,810)**	(2,157,185)
Gross profit		**99,288**	96,030	**221,904**	210,897
Marketing, general and administrative expenses	24	**(46,445)**	(42,451)	**(140,173)**	(132,073)
Depreciation and amortization	24	**(24,506)**	(14,308)	**(69,579)**	(47,766)
Income from projects accounted for using the equity method	11	**3,220**	2,115	**6,200**	4,282
Other income	25	**1,538**	1,755	**2,782**	3,841
Operating profit		**33,095**	43,141	**21,134**	39,181
Finance income		**157**	119	**605**	193
Finance costs	26	**(6,012)**	(5,615)	**(17,357)**	(16,490)
Profit before income taxes		**27,240**	37,645	**4,382**	22,884
Income tax recovery (expense)	20	**(2,605)**	(10,279)	**2,714**	(5,219)
Profit for the period		**$ 24,635**	$ 27,366	**$ 7,096**	$ 17,665
Basic earnings per share	27	**$ 0.42**	$ 0.48	**$ 0.12**	$ 0.31
Diluted earnings per share	27	**$ 0.37**	$ 0.42	**$ 0.11**	$ 0.29

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(in thousands of Canadian dollars) (unaudited)

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Profit for the period	**$ 24,635**	$ 27,366	**$ 7,096**	$ 17,665
Other comprehensive income (loss):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences - foreign operations	**(919)**	(402)	**(1,507)**	(402)
Cash flow hedges - equity-accounted investees	**2,021**	(612)	**1,237**	(2,137)
Income taxes on the above	**(536)**	160	**(328)**	564
Total other comprehensive income (loss) for the period	**566**	(854)	**(598)**	(1,975)
Comprehensive income for the period	**$ 25,201**	$ 26,512	**$ 6,498**	$ 15,690

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(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, 2017	$ 346,770	$ 8,674	$ 43,060	$ 357,218	$ (173)	$ (720)	$ (1,230)	$ 753,599
Profit for the period	-	-	-	7,096	-	-	-	7,096
Other comprehensive income (loss):								
Currency translation differences - foreign operations	-	-	-	-	(1,507)	-	-	(1,507)
Cash flow hedges - equity-accounted investees	-	-	-	-	-	-	1,237	1,237
Taxes with respect to above items included in other comprehensive income	-	-	-	-	-	-	(328)	(328)
Total other comprehensive income (loss) for the period	-	-	-	-	(1,507)	-	909	(598)
Total comprehensive income (loss) for the period	-	-	-	7,096	(1,507)	-	909	6,498
Dividends declared	-	-	-	(22,013)	-	-	-	(22,013)
Common shares issued on exercise of options	2,610	-	(698)	-	-	-	-	1,912
Stock-based compensation	-	-	13,114	-	-	-	-	13,114
Shares issued to settle LTIP/Director DSU obligations	12,124	-	(12,124)	-	-	-	-	-
Balance as at September 30, 2017	$ 361,504	$ 8,674	$ 43,352	$ 342,301	$ (1,680)	$ (720)	$ (321)	$ 753,110

	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, 2016	$ 332,275	$ 8,674	$ 41,546	$ 336,910	$ 249	$ (328)	$ (1,274)	$ 718,052
Profit for the period	-	-	-	17,665	-	-	-	17,665
Other comprehensive income (loss):								
Currency translation differences - foreign operations	-	-	-	-	(402)	-	-	(402)
Cash flow hedges - equity-accounted investees	-	-	-	-	-	-	(2,137)	(2,137)
Taxes with respect to above items included in other comprehensive income	-	-	-	-	-	-	564	564
Total other comprehensive loss for the period	-	-	-	-	(402)	-	(1,573)	(1,975)
Total comprehensive income (loss) for the period	-	-	-	17,665	(402)	-	(1,573)	15,690
Dividends declared	-	-	-	(19,779)	-	-	-	(19,779)
Common shares issued on exercise of options	1,491	-	(390)	-	-	-	-	1,101
Other LTIP settlements	-	-	(856)	-	-	-	-	(856)
Stock-based compensation	-	-	10,129	-	-	-	-	10,129
Shares issued to settle LTIP/Director DSU obligations	7,269	-	(7,269)	-	-	-	-	-
Balance as at September 30, 2016	$ 341,035	$ 8,674	$ 43,160	$ 334,796	$ (153)	$ (328)	$ (2,847)	$ 724,337

During the nine months ended September 30, 2017, the Company declared dividends amounting to $0.375 per share (September 30, 2016 - $0.345 per share).

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(in thousands of Canadian dollars) (unaudited)

	Note	**September 30 2017**	September 30 2016
CASH PROVIDED BY (USED IN)			
Operating activities			
Loss before income taxes		**$ 4,382**	$ 22,884
Income taxes paid		**(4,716)**	(2,065)
Defined benefit pension		**147**	422
Items not affecting cash:			
Depreciation and amortization		**69,579**	47,766
Income from projects accounted for using the equity method		**(6,200)**	(4,282)
Gain on sale of assets		**(1,197)**	(1,224)
Income from leasehold inducements		**(520)**	(277)
Unrealized foreign exchange gain (loss)		**(1,111)**	53
Increase in provisions		**13,128**	3,525
Notional interest representing accretion		**3,190**	3,366
Other LTIP settlements		**-**	(856)
Stock-based compensation		**13,114**	10,129
Change in other balances relating to operations	28	**(70,594)**	(145,914)
		19,202	(66,473)
Investing activities			
Increase in restricted cash balances		**(286,279)**	-
Purchase of property, plant and equipment		**(23,681)**	(21,818)
Proceeds on sale of property, plant and equipment		**6,297**	6,252
Investment in concession rights		**(104,819)**	-
Increase in intangible assets		**(1,977)**	(1,847)
Increase in long-term financial assets		**(852)**	(127)
Distributions from (advances to) projects accounted for using the equity method		**(314)**	9,456
		(411,625)	(8,084)
Financing activities			
Increase in bank indebtedness		**137,524**	40,000
Issuance of long-term debt		**8,767**	12,718
Issuance of non-recourse long-term debt		**374,407**	-
Repayments of long-term debt		**(42,272)**	(42,360)
Increase in other liabilities		**1,066**	1,428
Issuance of capital stock		**1,912**	1,101
Dividends paid		**(21,305)**	(18,873)
		460,099	(5,986)
Increase (decrease) in cash and cash equivalents during the period		**67,676**	(80,543)
Effects of foreign exchange on cash balances		**(1,457)**	89
Cash and cash equivalents - beginning of period		**231,858**	282,732
Cash and cash equivalents - end of period	7	**$ 298,077**	$ 202,278

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

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 interim condensed consolidated financial statements of the Company were authorized for issue on October 25, 2017 by the Board of Directors of the Company.

3. BASIS OF PRESENTATION

Basis of presentation
The Company prepares its interim condensed 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, 2016.

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 interim condensed 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 interim condensed 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 is accounted for in the interim condensed 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 interim condensed 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, 2016. 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.

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.

Further information with regard to the treatment of financial instruments can be found in Note 29, *"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, 2016, 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, 2016, 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.

SERVICE CONCESSION ARRANGEMENTS
The accounting for concession arrangements requires the application of judgment in determining if the project falls within the scope of IFRIC Interpretation 12, Service Concession Arrangements, (“IFRIC 12”). Additional judgments are needed when determining, among other things, the accounting model to be applied under IFRIC 12, the allocation of the consideration receivable between revenue-generating activities, the classification of costs incurred on such activities, as well as the effective interest rate to be applied to the financial asset. As the accounting for concession arrangements under IFRIC 12 requires the use of estimates over the term of the arrangement, any changes to these long-term estimates could result in a significant variation in the accounting for the concession arrangement.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 SERVICE CONCESSION ARRANGEMENTS

The Company accounts for Service Concession Arrangements in accordance with “IFRIC 12”.

IFRIC 12 provides guidance on the accounting for certain qualifying public-private partnership arrangements, whereby the grantor (i.e., usually a government) (a) controls or regulates what services the operator (i.e. “the concessionaire”) must provide with the infrastructure, to whom it must provide those services, and at what price; and (b) controls any significant residual interest in the infrastructure at the end of the term of the arrangement.

Under such concession arrangements, the concessionaire accounts for the infrastructure asset by applying one of the following accounting models depending on the allocation of the demand risk through the usage of the infrastructure between the grantor and the concessionaire:

Accounting Model

(a) Financial Asset Model

Applicable when the concessionaire does not bear demand risk through the usage of the infrastructure (i.e., it has an unconditional right to receive cash irrespective of the usage of the infrastructure, for example through availability payments).

When the Company delivers more than one category of activity in a service concession arrangement, the consideration received or receivable is allocated by reference to the relative fair values of the activity delivered, when the amounts are separately identifiable.

Revenue recognized by the Company under the financial asset model is recognized in “Long Term Receivables”, a financial asset that is recovered through payments received from the grantor.

(b) Intangible Asset Model

Applicable when the concessionaire bears demand risk (i.e., it has a right to charge fees for usage of the infrastructure).

The Company recognizes an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. The intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value upon initial recognition. Borrowing costs, if any, are capitalized until the infrastructure is ready for its intended use as part of the carrying amount of the intangible asset.

The intangible asset is then amortized over its expected useful life, which is the concession period in a service concession arrangement. The amortization period begins when the infrastructure is available for use.

Revenues from service concession arrangements accounted for under IFRIC 12 are recognized as follows:

(a) Construction or upgrade activities when a service concession arrangement involves the construction or upgrade of the public service infrastructure:

Revenues relating to construction or upgrade services under a service concession arrangement are recognized based on the stage of completion of the work performed, consistent with the Company's accounting policy on recognizing revenue applicable to any construction contract (see Note 5.1 in the Company's annual consolidated financial statements for the year ended December 31, 2016).

(b) Operations and maintenance activities may include maintenance of the infrastructure and other activities provided directly to the grantor or the users:

Operations and maintenance revenues are recognized in the period in which the activities are performed by the Company, consistent with the Company's accounting policy on recognizing revenue applicable to any operations and maintenance contract (see Note 5.1 in the Company's annual consolidated financial statements for the year ended December 31, 2016).

(c) Financing (applicable when the financial asset model is applied)

Finance income generated on financial assets is recognized using the effective interest method.

6. FUTURE ACCOUNTING CHANGES

IFRS 15, Revenue from Contracts with Customers
IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18, *"Revenue,"* and IAS 11, *"Construction Contracts,"* and the related interpretations when it becomes effective. IFRS 15 is effective for years beginning on or after January 1, 2018.

The core principle of IFRS 15 is that an entity should recognize revenue based on the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognizes revenue as a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer. Furthermore, extensive disclosures are required by IFRS 15.

A comprehensive change management project plan was developed to guide the implementation of IFRS 15 and assess the impacts on the Company's business processes, systems and controls. Initially a qualitative assessment was made of the new standard, analyzing the standard's impact on the Company's contract portfolio, comparing historical accounting policies and practices to the requirements of the new standard, and identifying potential impacts on reporting systems. In addition, the Company analyzed a sample of construction and service contracts from each segment, contract type, market sector, service focus, and risk type to assess potential impacts of the new revenue standard.

Based on the results of our procedures to-date, the Company does not anticipate a material difference in the measurement of revenue or operating profit as a result of adopting the new standard. The Company continues to closely monitor industry specific interpretative issues and International Accounting Standards Board ("IASB") activity related to the new standard as it finalizes its conclusions. The Company expects to have certain reclassifications in the Consolidated Balance Sheets as well as additional disclosures related to revenue in the Consolidated Financial Statements. The Company is currently assessing these potential presentation and disclosure impacts.

In addition, the Company is in the process of identifying and implementing appropriate changes to business processes, systems and internal controls to support recognition and disclosure under the new standard. In the coming months, the Company will be drafting a detailed accounting policy to support ongoing compliance with IFRS 15.

Any potential measurement changes from adopting this standard will impact the timing of revenue and margin recognition, and will result in an adjustment to equity at transition. There will be no changes to the treatment of cash flows and cash will continue to be collected in line with contractual terms. Further updates will be provided as the Company advances its assessment.

The Company may apply the new standard either retrospectively to each prior reporting period, using the practical expedients available, or retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Company is currently evaluating which transition method to use.

IFRS 9, Financial Instruments

IFRS 9 introduces new requirements for classifying and measuring financial instruments and is a partial replacement of IAS 39, "Financial Instruments: Recognition and Measurement." The standard is effective for accounting periods beginning on or after January 1, 2018, with early adoption permitted. IFRS 9 mainly affects the classification and measurement of financial assets and financial liabilities; the recognition of expected credit losses; and hedge accounting.

(i) **Classification and measurement of financial assets.** The classification of financial assets is based on the Company's assessment of its business models for holding financial assets. The standard introduces new classification categories for financial assets. The main classification categories are: financial assets measured at amortized cost (assets held to maturity in order to collect contractual cash flows: principal and interest), financial assets at fair value through profit or loss (assets held for trading) and financial assets at fair value through other comprehensive income (trade, manage on a fair value basis, or maximize cash through sale). The IAS 39 available-for-sale category of financial instruments has been eliminated. The IFRS 9 accounting model for financial liabilities is broadly the same as that in IAS 39, except that in relation to the fair value option, any changes in fair value of a financial liability attributable to the Company's credit risk must be recognized in other comprehensive income (provided this does not give rise to an accounting mismatch). Based on its preliminary analysis, the Company does not expect any material impact, given that most of the Company's assets and liabilities will continue to be recognized at amortized cost.

(ii) **Impairment of financial assets**. IFRS 9 replaces the incurred loss model of IAS 39 with a model based on expected credit losses. Under the new standard, the loss allowance for a financial instrument will be calculated at an amount equal to 12-month expected credit losses, or lifetime expected credit losses if there has been a significant increase in the credit risk on the instrument. Based on its preliminary analysis, the Company does not expect any material impact from the current practice of recognizing credit losses.

(iii) **Hedge accounting.** IFRS 9 attempts to align hedge accounting more closely with risk management, and the new requirements establish a principle-based approach. Based on its preliminary analysis, the Company does not expect any material impact from its current practice given the limited number of designated hedges in place but is working to update existing documentation to ensure alignment with IFRS 9 hedging requirements.

IFRS 9 is applicable retrospectively, subject to certain exemptions and exceptions.

IFRS 16, Leases
IFRS 16 was issued in January 2016 and establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 will supersede the current lease recognition guidance including IAS 17 “Leases” and the related interpretations when it becomes effective.

Under IFRS 16, the lessee recognizes a right-of-use asset and a lease liability upon lease commencement for leases with a lease term of greater than one year. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Subsequent measurement is determined based on the nature of the underlying asset.

The lease liability is initially measured at the present value of the lease payments payable over the lease term and discounted at the implied lease rate. If the implied lease rate cannot be readily determined, the lessee shall use their incremental borrowing rate. Subsequent re-measurement is allowed under specific circumstances.

The standard is effective for accounting periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of adopting this standard on its financial statements.

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

7. CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH

	September 30 2017	December 31 2016
Cash balances excluding joint operations	$ 21,800	$ -
Cash balances of joint operations	276,277	231,858
	$ 298,077	$ 231,858
Restricted cash	$ 273,398	$ -
	$ 273,398	$ -

Cash and cash equivalents on deposit in the bank accounts of joint operations cannot be accessed directly by the Company.

Restricted cash is cash held by Bermuda Skyport Corporation Limited. This cash cannot be used by the Company other than to finance the Bermuda International Airport Redevelopment Project.

8. TRADE AND OTHER RECEIVABLES

	September 30 2017	December 31 2016
Trade receivables	$ 364,726	$ 379,275
Allowance for doubtful accounts	(879)	(1,645)
	363,847	377,630
Holdbacks receivable	193,228	193,913
Other	14,159	33,216
	207,387	227,129
Total	$ 571,234	$ 604,759
Amounts receivable beyond one year	$ 48,648	$ 34,495

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

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

	September 30 2017	December 31 2016
Balance - beginning of period	**$ (1,645)**	$ (1,840)
Additional amounts provided for during period	**(411)**	(573)
Amounts recovered	**1,177**	768
Balance - end of period	**$ (879)**	**$** (1,645)

9. 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:

	September 30 2017	December 31 2016
Earned revenue on projects to date	**$ 9,459,059**	$ 7,769,624
Less: Billings on projects to date	**8,923,969**	7,478,184
Net consolidated balance sheet position	**$ 535,090**	$ 291,440
Reported as:		
Unbilled revenue	**$ 721,088**	$ 492,848
Deferred revenue	**(185,998)**	(201,408)
	$ 535,090	$ 291,440

10. INVENTORIES

	September 30 2017	December 31 2016
Raw materials and supplies	**$ 12,037**	$ 12,129
Finished goods	**14,611**	16,331
	$ 26,648	$ 28,460

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

11. 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:

	September 30, 2017			December 31, 2016		
	Joint Ventures	Associates	**Total**	Joint Ventures	Associates	Total
Cash and cash equivalents	$ 23,189	$ 6,077	**$ 29,266**	$ 3,882	$ 8,326	$ 12,208
Other current assets	51,872	3,403	**55,275**	33,015	4,030	37,045
Total current assets	75,061	9,480	**84,541**	36,897	12,356	49,253
Non-current assets	291,076	-	**291,076**	271,168	-	271,168
Total assets	366,137	9,480	**375,617**	308,065	12,356	320,421
Trade and other payables and provisions	55,314	2,984	**58,298**	77,029	4,037	81,066
Total current liabilities	55,314	2,984	**58,298**	77,029	4,037	81,066
Non-current financial liabilities	281,490	-	**281,490**	210,948	-	210,948
Other non-current liabilities	788	-	**788**	789	-	789
Total non-current liabilities	282,278	-	**282,278**	211,737	-	211,737
Total liabilities	337,592	2,984	**340,576**	288,766	4,037	292,803
Net assets	$ 28,545	$ 6,496	**$ 35,041**	$ 19,299	$ 8,319	$ 27,618

	For the three months ended					
	September 30, 2017			September 30, 2016		
	Joint Ventures	Associates	**Total**	Joint Ventures	Associates	**Total**
Revenue	$ 80,649	$ 486	**$ 81,135**	$ 42,538	$ 7,084	**$** 49,622
Depreciation and amortization	(114)	-	**(114)**	(110)	-	(110)
Other costs	(74,871)	(392)	**(75,263)**	(38,455)	(6,037)	(44,492)
Operating profit	5,664	94	**5,758**	3,973	1,047	5,020
Finance costs	(2,538)	-	**(2,538)**	(2,193)	-	(2,193)
Income tax expense	-	-	**-**	(431)	(281)	(712)
Profit for the period	3,126	94	**3,220**	1,349	766	2,115
Other comprehensive income (loss)	1,485	-	**1,485**	(452)	-	(452)
Total comprehensive income	$ 4,611	$ 94	**$ 4,705**	$ 897	$ 766	**$** 1,663

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

	For the nine months ended					
	September 30, 2017			September 30, 2016		
	Joint Ventures	Associates	**Total**	Joint Ventures	Associates	Total
Revenue	$ 197,541	$ 4,650	**$ 202,191**	$ 127,718	$ 17,084	$ 144,802
Depreciation and amortization	(334)	-	**(334)**	(314)	-	(314)
Other costs	(184,217)	(3,698)	**(187,915)**	(118,176)	(14,481)	(132,657)
Operating profit	12,990	952	**13,942**	9,228	2,603	11,831
Finance costs	(7,812)	-	**(7,812)**	(6,157)	-	(6,157)
Income tax (expense) recovery	70	-	**70**	(692)	(700)	(1,392)
Profit for the period	5,248	952	**6,200**	2,379	1,903	4,282
Other comprehensive income (loss)	909	-	**909**	(1,573)	-	(1,573)
Total comprehensive income	$ 6,157	$ 952	**$ 7,109**	$ 806	$ 1,903	$ 2,709

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

	For the nine months ended	For the year ended
	September 30 2017	December 31 2016
Projects accounted for using the equity method - as at beginning of period	**$ 27,618**	$ 25,631
Share of profit for the period	**6,200**	12,401
Share of other comprehensive income (loss) for the period	**909**	(44)
Advances to (distributions from) projects accounted for using the equity method	**314**	(10,370)
Projects accounted for using the equity method - as at end of period	**$ 35,041**	$ 27,618

The following joint ventures and associates are included in projects accounted for using the equity method:

Name	**Joint Venture or Associate**	**Years included**
Yellowline Asphalt Products Ltd.	Joint Venture	2017, 2016
Lower Mattagami Project	Associate	2017, 2016
Waterloo LRT Concessionaire	Joint Venture	2017, 2016
Eglinton Crosstown LRT Concessionaire	Joint Venture	2017, 2016
New Post Creek Project	Associate	2017, 2016

Projects accounted for using the equity method include various concession joint ventures as listed above. However, the construction activities related to these concessions are classified as joint operations which are 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.

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

12. 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, 2017	$ 33,889	$ 90,011	$ 53,602	$ 265,427	$ 31,296	$ 66,076	$ 267,457	**$ 807,758**
Additions	-	5,504	409	29,205	602	7,121	7,298	**50,139**
Disposals	(409)	-	-	(9,680)	(10)	(5,009)	(3,705)	**(18,813)**
Balance as at September 30, 2017	$ 33,480	$ 95,515	$ 54,011	$ 284,952	$ 31,888	$ 68,188	$ 271,050	**$ 839,084**
Accumulated depreciation and impairment								
Balance as at January 1, 2017	-	41,734	16,887	141,923	23,982	45,974	86,890	**357,390**
Depreciation	-	4,141	1,016	17,125	2,613	6,155	13,908	**44,958**
Disposals	-	-	-	(6,146)	(10)	(4,806)	(2,748)	**(13,710)**
Balance as at September 30, 2017	$ -	$ 45,875	$ 17,903	$ 152,902	$ 26,585	$ 47,323	$ 98,050	**$ 388,638**
Net book value as at September 30, 2017	**$ 33,480**	**$ 49,640**	**$ 36,108**	**$ 132,050**	**$ 5,303**	**$ 20,865**	**$ 173,000**	**$ 450,446**
Net book value as at January 1, 2017	**$ 33,889**	**$ 48,277**	**$ 36,715**	**$ 123,504**	**$ 7,314**	**$ 20,102**	**$ 180,567**	**$ 450,368**
Net book value of assets under finance lease as at September 30, 2017	**$ -**	**$ -**	**$ 75**	**$ 53,123**	**$ 4**	**$ 17,549**	**$ 13,481**	**$ 84,232**

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

13. INTANGIBLE ASSETS

	Concession rights	Goodwill	Licences, software and other rights	Total
Cost				
Balance as at January 1, 2017	$ -	$ 49,373	$ 83,967	$ 133,340
Additions				
Acquired separately	197,811	-	1,977	199,788
Foreign currency translation adjustments	(11,848)	-	-	(11,848)
Balance as at September 30, 2017	**$ 185,963**	**$ 49,373**	**$ 85,944**	**$ 321,280**
Accumulated amortization and impairment				
Balance as at January 1, 2017	-	-	21,682	21,682
Amortization	18,585	-	6,036	24,621
Foreign currency translation adjustments	(836)	-	-	(836)
Balance as at September 30, 2017	**$ 17,749**	**$ -**	**$ 27,718**	**$ 45,467**
Net book value as at September 30, 2017	**$ 168,214**	**$ 49,373**	**$ 58,226**	**$ 275,813**
Net book value as at January 1, 2017	**$ -**	**$ 49,373**	**$ 62,285**	**$ 111,658**

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

Concession rights – Bermuda International Airport Redevelopment Project

The Company holds a 100% interest in Bermuda Skyport Corporation Limited (“Skyport”), a Bermudian company undertaking the L.F. Wade International Airport Redevelopment Project in Bermuda (“Bermuda International Airport Redevelopment Project”).

Skyport’s main operations consist of:

(a) managing and operating the existing L.F. Wade International Airport (the “Existing Bermuda Airport”); and

(b) managing the development, financing, construction, operation and maintenance of the new airport terminal and associated infrastructure (“New Airport Terminal “) under a 30-year concession arrangement.

The right to operate the Existing Bermuda Airport was initially recognized at fair value and assigned an estimated value of $92,992 (US$69,871) at the date of financial close in 2017. As at September 30, 2017, this concession right had a remaining carrying amount of $69,450. Skyport amortizes this concession right over the remaining term of the right to operate the Existing Bermuda Airport with amortization based on usage (estimated traffic volumes). The New Airport Terminal is expected to open in July 2020.

As at September 30, 2017, the concession right for the New Airport Terminal, representing the costs to construct the New Airport Terminal, had a carrying amount of $98,764. Amortization of this concession right will commence after construction of the new airport terminal is completed.

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

14. BANK INDEBTEDNESS

The Company maintains a committed revolving credit facility of $500,000 (December 31, 2016 - $400,000). Bank indebtedness as at September 30, 2017 of $145,000 (December 31, 2016 - $7,476) represents borrowings on the Company's revolving credit facility. Letters of credit amounting to $67,073 were also issued against the credit facility as at September 30, 2017 (December 31, 2016 - $71,708). 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.

The Company also maintains an additional letter of credit facility of $700,000 (December 31, 2016 - $500,000) provided by Export Development Canada of which $258,570 was utilized as at September 30, 2017 (December 31, 2016 - $227,532).

15. TRADE AND OTHER PAYABLES

	September 30 2017	December 31 2016
Trade payables and accrued liabilities	$ 619,281	$ 494,833
Holdbacks payable	84,405	82,500
	$ 703,686	$ 577,333
Amounts payable beyond one year	$ 2,064	$ 2,064

16. PROVISIONS

	Contract related obligations	Asset decommissioning costs	Tax assessments	Other	Total
Balance as at January 1, 2017	$ 4,208	$ 3,720	$ 12,169	$ 5,529	$ 25,626
Additions made	3,614	326	1,474	9,284	14,698
Amounts used	(3,702)	(194)	(5,000)	(10,769)	(19,665)
Unused amounts reversed	(95)	-	(2,187)	-	(2,282)
Other changes	(15)	78	-	(14)	49
Balance as at September 30, 2017	**$ 4,010**	**$ 3,930**	**$ 6,456**	**$ 4,030**	**$ 18,426**
Reported as:					
Current	**$ 2,787**	**$ -**	**$ 6,456**	**$ 3,411**	**$ 12,654**
Non-current	**1,223**	**3,930**	**-**	**619**	**5,772**
	$ 4,010	**$ 3,930**	**$ 6,456**	**$ 4,030**	**$ 18,426**

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

17. LONG-TERM DEBT AND NON-RECOURSE PROJECT DEBT

	September 30 2017	December 31 2016
Long-term debt:		
Finance leases	$ 68,417	$ 59,480
Equipment and other loans	66,585	78,491
Total long-term debt	$ 135,002	$ 137,971
Reported as:		
Current liabilities:		
Current portion of long-term debt	$ 46,772	$ 51,568
Non-current liabilities:		
Long-term debt	88,230	86,403
	$ 135,002	$ 137,971

		September 30 2017	December 31 2016
Non-recourse project debt:			
Bermuda International Airport Redevelopment Project financing	(a)	$ 351,059	$ -
Total non-recourse project debt		$ 351,059	$ -
Reported as:			
Non-current liabilities:			
Non-recourse project debt		$ 351,059	$ -
		$ 351,059	$ -

(a) Included in the Company's consolidated balance sheets as at September 30, 2017 is debt, net of transaction costs, of $351,059 (US$281,298) (2016 –$nil) representing the debt of Skyport. This debt is secured by the assets of Skyport and is without recourse to the Company.

The financing is denominated in US dollars and bears interest at 5.9% annually. Debt repayments commence in 2022 and are scheduled to continue until 2042.

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

18. CONVERTIBLE DEBENTURES

Convertible subordinated debentures consist of:

	September 30 2017	December 31 2016
Debt component:		
Debenture maturing on December 31, 2018	**$ 167,677**	$ 164,778
Total convertible debentures	**$ 167,677**	$ 164,778
Reported as:		
Non-current liabilities:		
Convertible debentures	**167,677**	164,778
	$ 167,677	$ 164,778

	September 30 2017	December 31 2016
Equity component:		
Debenture maturing on December 31, 2018	**$ 8,674**	$ 8,674

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 nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Interest expense on face value	**$ (2,372)**	$ **(2,372)**	**$ (7,116)**	$ **(7,116)**
Notional interest representing accretion	**(972)**	**(950)**	**(2,899)**	**(2,832)**
	$ (3,344)	$ **(3,322)**	**$ (10,015)**	$ **(9,948)**

19. CONCESSION RELATED DEFERRED REVENUE

As part of acquiring, in 2017, the rights to operate the Existing Bermuda Airport (see Note 13), $87,199 is included in concession related deferred revenue at September 30, 2017. Concession related deferred revenue represents the estimated value of the “inducement” received by Skyport to develop, finance and operate the New Airport Terminal.

Concession related deferred revenue also includes $24,537 received in 2017 as development funds related to the Bermuda International Airport Redevelopment Project.

The above concession deferred revenue amounts will be amortized to earnings over the term of the New Airport Terminal concession period.

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

20. INCOME TAXES

	For the nine months ended	
	September 30 2017	September 30 2016
Profit before income taxes	**$ 4,382**	$ 22,884
Statutory income tax rate	**26.75%**	26.75%
Expected income tax expense	**(1,172)**	(6,122)
Effect on income taxes of:		
Projects accounted for using the equity method	**340**	1,145
Impact of change in enacted tax rates on deferred tax balances	**(732)**	-
Provincial and foreign rate differences	**3,838**	286
Non-deductible stock-based compensation expense	**-**	(2,519)
Other non-deductible expenses	**(737)**	(708)
Reversal of tax provision from prior year	**1,177**	1,950
Other tax credits	**-**	749
	3,886	903
Income tax recovery (expense)	**$ 2,714**	$ (5,219)

21. EMPLOYEE BENEFIT PLANS

Employee future benefit expenses for the period are as follows:

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Defined benefit pension expense:				
Company sponsored pension plans	**$ 262**	$ 316	**$ 764**	$ 948
Defined contribution pension expense:				
Company sponsored pension plans	**1,722**	1,683	**5,073**	4,859
Multi-employer pension plans	**19,410**	26,546	**55,727**	81,002
Total employee future benefit expenses	**$ 21,394**	$ 28,545	**$ 61,564**	$ 86,809

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

22. 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 16, *"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/or letters of credit outstanding:

	Project	September 30 2017
Letters of credit:		
In support of the Company's equity obligations	Bermuda International Airport Redevelopment Project	$ 86,599
Financial and performance - issued in the normal course of business	Various	$ 239,044

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 September 30, 2017, 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 $4,906,211, 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.

23. CAPITAL STOCK

	For the nine months ended September 30, 2017		For the year ended December 31, 2016	
	Number	**Amount**	**Number**	**Amount**
Number of common shares outstanding - beginning of period	**57,863,017**	**$ 346,770**	56,817,357	$ 332,275
Common shares issued on exercise of share options	150,000	2,610	100,000	1,491
Equity settled shares	881,138	12,124	945,660	13,004
Number of common shares outstanding - end of period	**58,894,155**	**$ 361,504**	57,863,017	$ 346,770

The Company is authorized to issue an unlimited number of common shares.

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

For the three and nine months ended September 30, 2017, the Company recorded LTIP compensation charges of $3,300 (2016 - $3,181) and $12,183 (2016 - $9,488), respectively.

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 nine months ended September 30, 2017			For the year ended December 31, 2016		
	Number of share options		**Weighted average exercise price**	Number of share options		Weighted average exercise price
Balance outstanding - beginning of period	**270,000**	**$**	**12.38**	420,000	$	11.81
Expired	**-**		**-**	(50,000)		10.41
Exercised	**(150,000)**		**12.74**	(100,000)		11.00
Balance outstanding - end of period	**120,000**		**11.92**	270,000		12.38
Options exercisable - end of period	**120,000**	**$**	**11.92**	270,000	$	12.38

Share options outstanding as at September 30, 2017 had the following exercise prices and expiry dates:

Share options granted in	**Number of shares**		**Exercise price**	**Expiry date**
2013	120,000		11.92	March 14, 2018
	120,000	$	11.92	

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.

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

As equity settled awards, Director DSUs are expensed in full on the date of grant 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 nine months ended September 30, 2017, the Company recorded Director DSU compensation charges of $117 (2016 - $14) and $931 (2016 - $641), respectively.

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

	For the nine months ended September 30, 2017		For the nine months ended September 30, 2017	
	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	**3,399,388**	**$ 11.93**	**156,786**	$ **13.83**
Granted	**774,626**	**15.88**	**55,021**	**15.79**
Dividend equivalent rights	**80,157**	**12.51**	**4,341**	**14.23**
Settled	**(881,138)**	**11.87**	**-**	**-**
Forfeited	**(90,630)**	**14.18**	**-**	**-**
Balance outstanding - end of period	**3,282,403**	**$ 12.83**	**216,148**	$ **14.33**

Amounts included in contributed surplus in the consolidated balance sheets as at September 30, 2017 in respect of LTIP and Director DSUs were $36,166 (December 31, 2016 - $36,107) and $3,098 (December 31, 2016 - $2,168), respectively.

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

24. EXPENSES

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Personnel	**$ 259,881**	$ 282,623	**$ 799,633**	$ 984,244
Subcontractors	**211,903**	282,625	**660,302**	740,301
Materials	**184,443**	161,110	**437,861**	418,142
Equipment costs	**43,762**	54,254	**122,685**	130,299
Depreciation of property, plant and equipment and amortization of intangible assets	**24,506**	14,308	**69,579**	47,766
Other expenses	**6,852**	3,878	**18,502**	16,272
Total expenses	**$ 731,347**	$ 798,798	**$ 2,108,562**	$ 2,337,024

Reported as:

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Direct costs and expenses	**$ 660,396**	$ 742,039	**$ 1,898,810**	$ 2,157,185
Marketing, general and administrative expenses	**46,445**	42,451	**140,173**	132,073
Depreciation and amortization	**24,506**	14,308	**69,579**	47,766
Total expenses	**$ 731,347**	$ 798,798	**$ 2,108,562**	$ 2,337,024

25. OTHER INCOME

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Foreign exchange gain	**$ 2**	$ 1,298	**$ 2,542**	$ 2,618
Gain on sale of property, plant and equipment	**1,532**	457	**1,197**	1,223
Gain (loss) on other assets	**4**	-	**(957)**	-
Total other income	**$ 1,538**	$ 1,755	**$ 2,782**	$ 3,841

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

26. FINANCE COSTS

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Interest on long-term debt and debentures	**$ 4,090**	$ 4,007	**$ 12,511**	$ 11,758
Interest on finance leases	**418**	849	**1,341**	2,760
Interest on short-term debt	**1,492**	697	**3,403**	1,837
Notional interest on provisions	**12**	62	**102**	135
Total finance costs	**$ 6,012**	$ 5,615	**$ 17,357**	$ 16,490

27. EARNINGS PER SHARE

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

	For the three months ended		For the nine months ended	
	September 30 2017	September 30 2016	**September 30 2017**	September 30 2016
Profit attributable to shareholders	**$ 24,635**	$ 27,366	**$ 7,096**	$ 17,665
Interest on convertible debentures, net of tax[1]	**2,449**	2,441	**7,336**	7,312
Diluted net earnings	**$ 27,084**	$ 29,807	**$ 14,432**	$ 24,977
Average number of common shares outstanding	**58,789,876**	57,431,995	**58,394,737**	57,254,576
Effect of dilutive securities:[1]				
Options	**33,347**	87,764	**31,737**	68,367
Convertible debentures[1]	**10,999,973**	9,901,326	**11,204,364**	10,955,194
Long-term incentive plan	**3,498,551**	4,000,186	**3,498,551**	4,000,186
Weighted average number of diluted common shares outstanding	**73,321,747**	71,421,271	**73,129,389**	72,278,323
Basic earnings per share	**$ 0.42**	$ 0.48	**$ 0.12**	$ 0.31
Diluted earnings per share[1]	**$ 0.37**	$ 0.42	**$ 0.11**	$ 0.29

[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.

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

28. SUPPLEMENTARY CASH FLOW INFORMATION

Change in other balances relating to operations

	For the nine months ended	
	September 30 2017	September 30 2016
Decrease (increase) in:		
Trade and other receivables	**$ 32,311**	$ (99,970)
Unbilled revenue	**(228,348)**	(116,839)
Inventories	**1,812**	312
Prepaid expenses	**2,968**	3,140
Increase (decrease) in:		
Trade and other payables	**126,387**	70,993
Provisions	**(14,665)**	(5,649)
Deferred revenue	**(15,980)**	2,099
Concession related deferred revenue	**24,921**	-
	$ (70,594)	$ (145,914)

Cash flows from interest

	For the nine months ended	
	September 30 2017	September 30 2016
Operating activities		
Cash interest paid	**$ (11,322)**	$ (10,889)
Cash interest received	**605**	193

	For the nine months ended	
	September 30 2017	September 30 2016
Non-cash transactions		
Property, plant and equipment acquired and financed by finance leases	**$ 26,458**	$ 12,092

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

29. FINANCIAL INSTRUMENTS

Fair value

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 September 30, 2017, the Company had outstanding contracts to sell US$700 (December 31, 2016 – buy EUR€88, sell US$6,800 and buy US$3,393) on which there was a net unrealized exchange gain of $25 (December 31, 2016 - loss of $355). 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 September 30, 2017			
	Total	**Level 1**	**Level 2**	**Level 3**
Financial assets (liabilities) measured at fair value:				
Cash flow hedge	$ (437)	$ -	$ (437)	$ -
Financial assets (liabilities) disclosed at fair value:				
Long-term financial assets	3,194	-	3,194	-
Current portion of long-term debt	(49,925)	-	(49,925)	-
Long-term debt	(88,606)	-	(88,606)	-
Non-recourse project debt	(351,059)	-	(351,059)	-
Convertible debentures	(178,969)	(178,969)	-	-

During the nine-month period ended September 30, 2017, 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.

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

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 September 30, 2017, the Company had $63,658 in trade receivables that were past due. Of this amount, $56,480 was over 60 days past due, against which the Company has recorded an allowance for doubtful accounts of $879.

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 September 30, 2017 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	$ -	$ 145,000	$ -	$ 145,000	$ -	$ 145,000
Trade and other payables	$ 701,622	$ 2,064	$ -	$ 703,686	$ -	$ 703,686
Finance leases	$ 24,698	$ 44,909	$ 5,859	$ 75,466	$ (7,049)	$ 68,417
Equipment and other loans	26,524	44,055	4,434	75,013	(8,428)	66,585
	51,222	88,964	10,293	150,479	(15,477)	135,002
Non-recourse project debt	20,985	86,823	629,406	737,214	(386,155)	351,059
Convertible debentures	9,488	179,615	-	189,103	(21,426)	167,677
Long-term financial liabilities	$ 81,695	$ 355,402	$ 639,699	$ 1,076,796	$ (423,058)	$ 653,738

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 nine months ended September 30, 2017, 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 September 30, 2017 to profit or loss for currency exposures would be $2,817. 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.

30. 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 September 30, 2017, the debt to capitalization percentage including convertible debentures as debt was 29% (December 31, 2016 - 29%). 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 13% as at September 30, 2017 (December 31, 2016 - 13%). 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 September 30, 2017, the Company complied with all of its financial debt covenants.

31. 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.

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

For the three months ended September 30, 2017

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Statement of income						
External customer revenue	$ 288,593	$ 378,996	$ 59,392	$ 32,703	$ -	**$ 759,684**
Inter-segment revenue	20,835	369	4,724	-	(25,928)	**-**
Total revenue	309,428	379,365	64,116	32,703	(25,928)	**759,684**
Which includes:						
Construction revenue	309,428	379,365	64,116	-	(25,928)	**726,981**
Concession revenue	-	-	-	32,703	-	**32,703**
Expenses	$ (294,214)	$ (365,898)	$ (57,881)	$ (26,825)	$ 13,471	**$ (731,347)**
Which include:						
Depreciation and amortization	(5,254)	(5,714)	(4,956)	(8,569)	(13)	**(24,506)**
Other income (loss):						
Foreign exchange gain (loss)	$ 271	$ (112)	$ 29	$ 147	$ (333)	**$ 2**
Gain on sale of other assets	4	-	-	-	-	**4**
Gain on sale of property, plant and equipment	617	755	158	-	2	**1,532**
Income from projects accounted for using the equity method	$ 1,723	$ -	$ -	$ 1,497	$ -	**$ 3,220**
Operating profit (loss)	$ 17,829	$ 14,110	$ 6,422	$ 7,522	$ (12,788)	**$ 33,095**
Finance income (cost):						
Finance income						**$ 157**
Finance cost						**(6,012)**
Profit before income taxes						**$ 27,240**
Income tax expense						**(2,605)**
Profit for the period						**$ 24,635**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Balance sheet						
Segment assets	$ 762,666	$ 834,570	$ 420,176	$ 576,576	$ 110,979	**$ 2,704,967**
Which include:						
Projects accounted for using the equity method	23,626	177	2,043	9,195	-	**35,041**
Segment liabilities	$ 516,787	$ 364,328	$ 171,187	$ 483,982	$ 415,573	**$ 1,951,857**
Additions to non-current assets:						
Property, plant and equipment	$ 7,943	$ 10,308	$ 1,825	$ 1,699	$ 2	**$ 21,777**
Intangible assets	$ -	$ -	$ -	$ 28,039	$ 579	**$ 28,618**

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

											For the nine months ended September 30, 2017	
		Infrastructure		**Energy**		**Mining**		**Concessions**		**Other and eliminations**		**Total**
Consolidated Statements of Income												
External customer revenue	$	603,701	$	1,071,539	$	338,854	$	106,620	$	-	**$**	**2,120,714**
Inter-segment revenue		89,236		4,917		8,987		-		(103,140)		**-**
Total revenue		692,937		1,076,456		347,841		106,620		(103,140)		**2,120,714**
Which includes:												
Construction revenue		692,937		1,076,456		347,841		-		(103,140)		**2,014,094**
Concession revenue		-		-		-		106,620		-		**106,620**
Expenses	$	(696,268)	$	(1,046,565)	$	(335,321)	$	(99,115)	$	68,707	**$**	**(2,108,562)**
Which include:												
Depreciation and amortization		(15,013)		(16,404)		(19,276)		(18,717)		(169)		**(69,579)**
Other income (loss):												
Foreign exchange gain (loss)	$	565	$	2,364	$	39	$	226	$	(652)	**$**	**2,542**
Gain (loss) on sale of other assets		38		(1,000)		5		-		-		**(957)**
Gain (loss) on sale of property, plant and equipment		1,223		1,060		(1,090)		-		4		**1,197**
Income from projects accounted for using the equity method	$	2,691	$	-	$	-	$	3,509	$	-	**$**	**6,200**
Operating profit (loss)	$	1,186	$	32,315	$	11,474	$	11,240	$	(35,081)	**$**	**21,134**
Finance income (cost):												
Finance income											**$**	**605**
Finance costs												**(17,357)**
Profit before income taxes											**$**	**4,382**
Income tax recovery												**2,714**
Profit for the year											**$**	**7,096**

		Infrastructure		Energy		Mining		Concessions		Other and eliminations		Total
Consolidated Balance Sheets												
Additions to non-current assets:												
Property, plant and equipment	$	16,672	$	22,684	$	8,612	$	1,699	$	472	**$**	**50,139**
Intangible assets	$	-	$	-	$	-	$	197,811	$	1,977	**$**	**199,788**

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

For the three months ended September 30, 2016

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Statement of income						
External customer revenue	$ 316,151	$ 314,550	$ 206,569	$ 799	$ -	**$ 838,069**
Inter-segment revenue	6,232	9,928	2,439	-	(18,599)	**-**
Total revenue	322,383	324,478	209,008	799	(18,599)	**838,069**
Which includes:						
Construction revenue	322,383	324,478	209,008	-	(18,599)	**837,270**
Concession revenue	-	-	-	799	-	**799**
Expenses	$ (303,133)	$ (312,527)	$ (192,351)	$ (1,311)	$ 10,524	**$ (798,798)**
Which include:						
Depreciation and amortization	(4,917)	(5,145)	(3,978)	(37)	(231)	**(14,308)**
Other income (loss):						
Foreign exchange gain (loss)	$ (155)	$ 728	$ 580	$ (15)	$ 160	**$ 1,298**
Gain (loss) on sale of property, plant and equipment	77	106	274	-	-	**457**
Income from projects accounted for using the equity method	$ 1,674	$ -	$ -	$ 441	$ -	**$ 2,115**
Operating profit (loss)	$ 20,846	$ 12,785	$ 17,511	$ (86)	$ (7,915)	**$ 43,141**
Finance income (cost):						
Finance income						**$ 119**
Finance cost						**(5,615)**
Profit before income taxes						**$ 37,645**
Income tax expense						**(10,279)**
Profit for the period						**$ 27,366**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Balance sheet						
Segment assets	$ 731,424	$ 648,159	$ 429,887	$ 93,272	$ 76,441	**$ 1,979,183**
Which include:						
Projects accounted for using the equity method	18,245	47	1,458	(866)	-	**18,884**
Segment liabilities	$ 507,039	$ 254,636	$ 201,119	$ 10,136	$ 281,916	**$ 1,254,846**
Additions to non-current assets:						
Property, plant and equipment	$ 2,456	$ 3,900	$ 35	$ -	$ 2,238	**$ 8,629**
Intangible assets	$ -	$ -	$ -	$ -	$ 760	**$ 760**

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

For the nine months ended September 30, 2016	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Consolidated Statements of Income						
External customer revenue	$ 737,980	$ 972,602	$ 661,586	$ 2,556	$ (6,642)	**$ 2,368,082**
Inter-segment revenue	8,015	10,682	3,664	-	(22,361)	**-**
Total revenue	745,995	983,284	665,250	2,556	(29,003)	**2,368,082**
Which includes:						
Construction revenue	745,995	983,284	665,250	-	(29,003)	**2,365,526**
Concession revenue	-	-	-	2,556	-	**2,556**
Expenses	$ (745,534)	$ (964,397)	$ (618,360)	$ (5,062)	$ (3,671)	**$ (2,337,024)**
Which include:						
Depreciation and amortization	(14,783)	(15,997)	(17,492)	(125)	631	**(47,766)**
Other income (loss):						
Foreign exchange gain (loss)	$ 256	$ 2,394	$ (145)	$ (65)	$ 178	**$ 2,618**
Gain (loss) on sale of property, plant and equipment	1,380	630	(787)	-	-	**1,223**
Income from projects accounted for using the equity method	$ 3,244	$ -	$ -	$ 1,038	$ -	**$ 4,282**
Operating profit (loss)	$ 5,341	$ 21,911	$ 45,958	$ (1,533)	$ (32,496)	**$ 39,181**
Finance income (cost):						
Finance income						**$ 193**
Finance costs						**(16,490)**
Profit before income taxes						**$ 22,884**
Income tax expense						**(5,219)**
Profit for the period						**$ 17,665**

	Infrastructure	Energy	Mining	Concessions	Other and eliminations	Total
Consolidated Balance Sheet						
Additions to non-current assets:						
Property, plant and equipment	$ 12,423	$ 10,127	$ 7,383	$ -	$ 3,977	**$ 33,910**
Intangible assets	$ -	$ -	$ -	$ -	$ 1,847	**$ 1,847**

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