

TD Engineering & Construction Conference – Toronto, ON
Thursday March 30, 2017

**WE ARE
BETTER
TOGETHER**



STN
TSX · NYSE

 **Stantec**

Cautionary Statement

Our public communications will contain non-IFRS measures and written or verbal forward-looking statements, including a discussion of our goals and our growth strategies.

We caution readers not to place undue reliance on our forward-looking statements since a number of factors could cause actual future results to differ materially from the targets and expectations expressed.

For a discussion of risk factors and non-IFRS measures, see our 2016 Annual Report, which is available on SEDAR, EDGAR, and stantec.com.

AGENDA

Who We Are

Where We Are

What We Have Accomplished

Where We Are Going

OUR BUSINESS IS PEOPLE

Engineering
Architecture
Interior Design
Landscape Architecture
Surveying
Environmental Sciences
Construction Services
Project Management
Project Economics

Project Life Cycle



STANTEC AT A GLANCE

STN

TSX & NYSE

22,000

Employees
globally

400

Locations
worldwide

CDN 4.3B

2016
Gross Revenue

CDN 3.9B

December 31, 2016
Market Cap

62 YEARS

Of uninterrupted
profitability



We Put
People First



We Are
Better Together



We Do
What Is Right



We Are Driven
to Achieve

LIVING OUR VALUES

OUR BUSINESS MODEL IS DIVERSIFIED

Gross Revenue Breakdown
by Geographies*



CONSULTING SERVICES

- 57% United States
- 32% Canada
- 11% Global

CONSTRUCTION SERVICES

- 63% United States
- 37% United Kingdom

Gross Revenue Breakdown
by Business Operating Units*



SERVICE OFFERINGS

- 85% Consulting Services
- 15% Construction Services

BUSINESS OPERATING UNITS

Consulting Services

- 28% Infrastructure
- 22% Buildings
- 21% Water
- 17% Environmental Services
- 12% Energy & Resources

Gross Revenue Breakdown by Geographies*

57% UNITED STATES

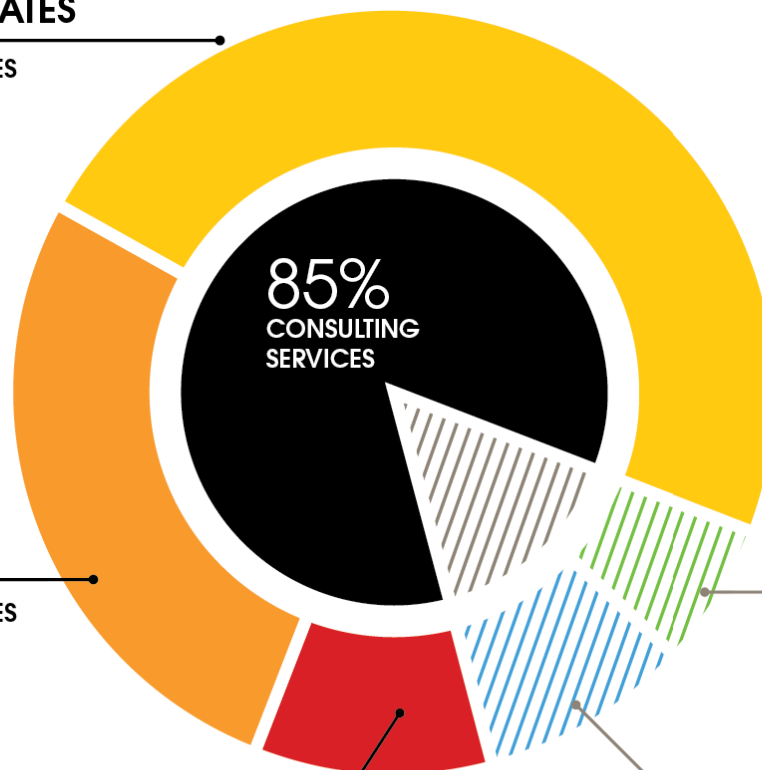
CONSULTING SERVICES

32% CANADA

CONSULTING SERVICES

11% GLOBAL

CONSULTING SERVICES



15%
CONSTRUCTION
SERVICES

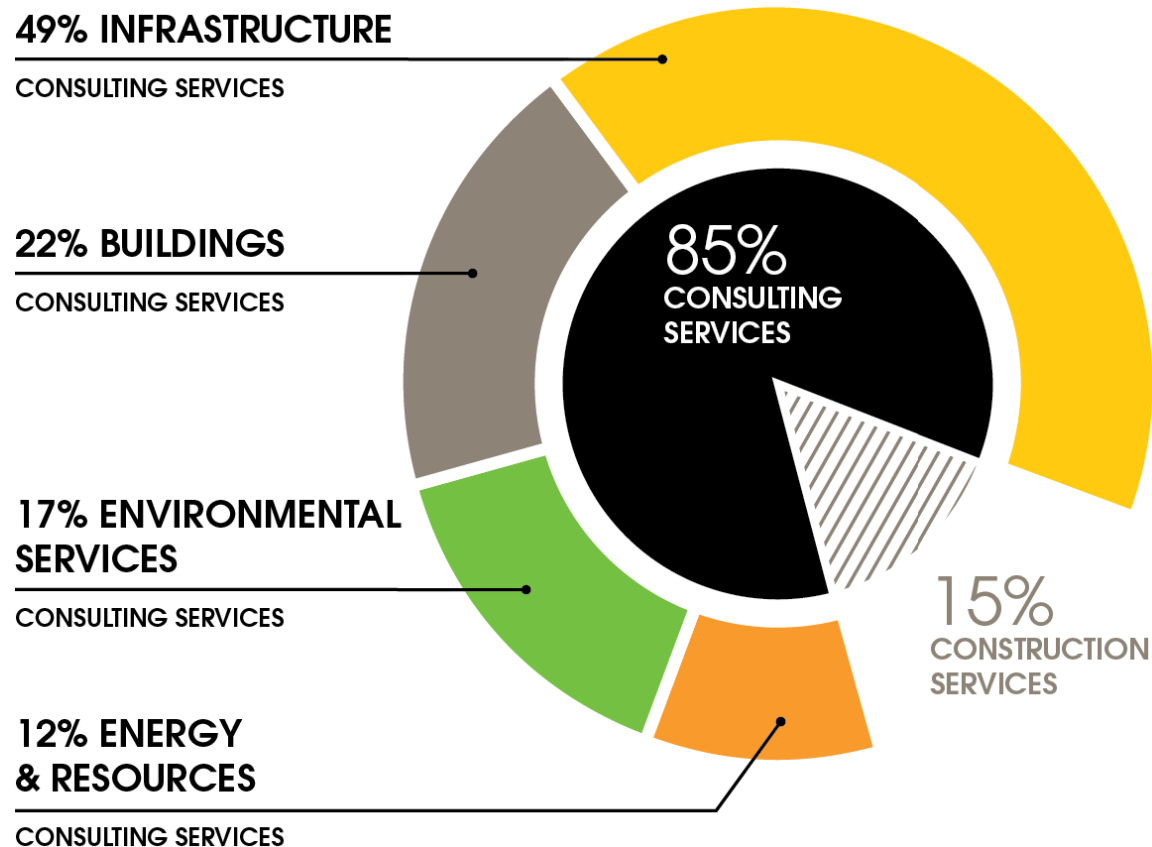
37% UNITED KINGDOM

CONSTRUCTION SERVICES

63% UNITED STATES

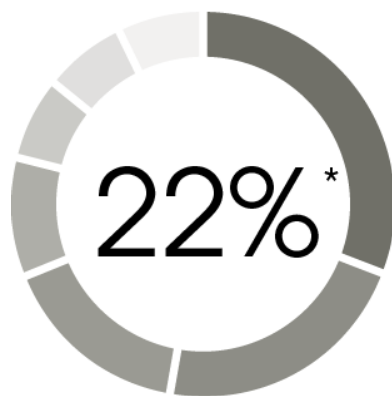
CONSTRUCTION SERVICES

Gross Revenue Breakdown by Business Operating Units*



BUILDINGS

BUILDINGS



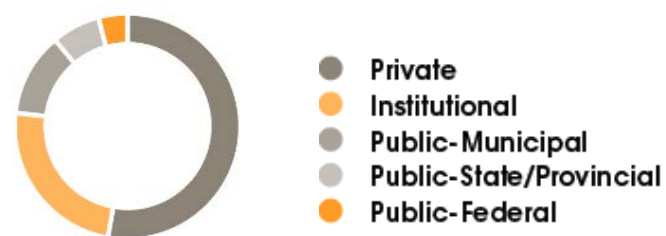
- Commercial
- Healthcare
- Education
- Industrial
- Airports & Aviation
- Civic
- Science & Technology

*As an approximate percentage of 2016 consulting services gross revenue

Gross Revenue Breakdown
By Geography



Gross Revenue Breakdown
By Client Type

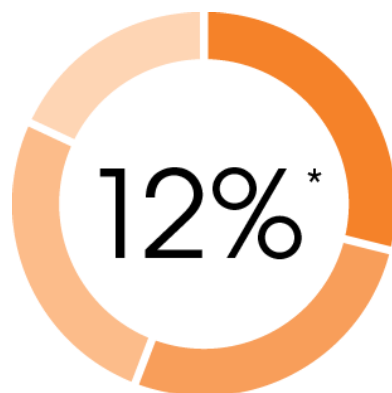


ENERGY & RESOURCES





ENERGY & RESOURCES



- Power
- Waterpower & Dams
- Oil & Gas
- Mining

*As an approximate percentage of 2016 consulting services gross revenue

Gross Revenue Breakdown
By Geography



- Canada
- United States
- Global

Gross Revenue Breakdown
By Client Type



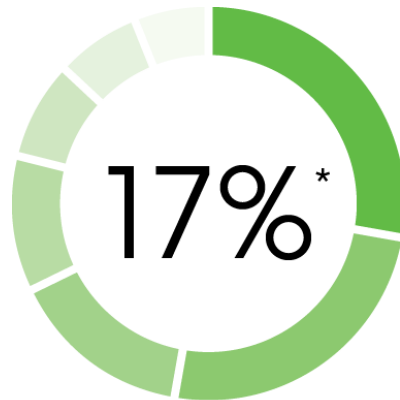
- Private
- Public-State/Provincial
- Public-Municipal
- Public-Federal



ENVIRONMENTAL SERVICES



ENVIRONMENTAL SERVICES



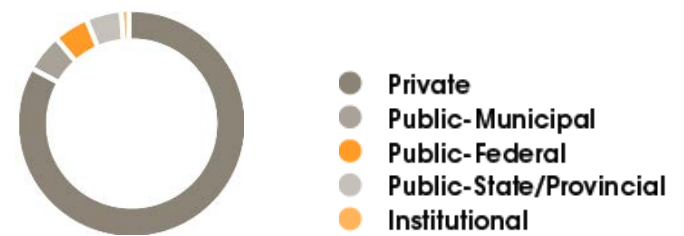
- Oil & Gas
- Water
- Buildings
- Power
- Transportation
- Community Development
- Mining

*As an approximate percentage of 2016 consulting services gross revenue

Gross Revenue Breakdown
By Geography



Gross Revenue Breakdown
By Client Type



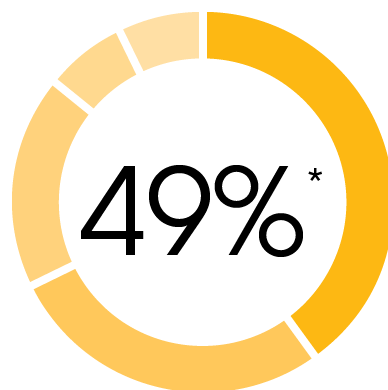
WHERE WE ARE

INFRASTRUCTURE

STN
TSX · NYSE



INFRASTRUCTURE



- Water
- Roadways
- Community Development
- Bridges
- Transit & Rail

*As an approximate percentage of 2016 consulting services gross revenue

Gross Revenue Breakdown
By Geography



- United States
- Canada
- Global

Gross Revenue Breakdown
By Client Type



- Private
- Public-Municipal
- Public-State/Provincial
- Public-Federal
- Institutional

CONSTRUCTION SERVICES

Gross Revenue Breakdown
by Client Type




- Private
- Public-Municipal
- Public-State
- Public-Federal

Gross Revenue Breakdown
by Geography



- 63% United States
- 37% United Kingdom

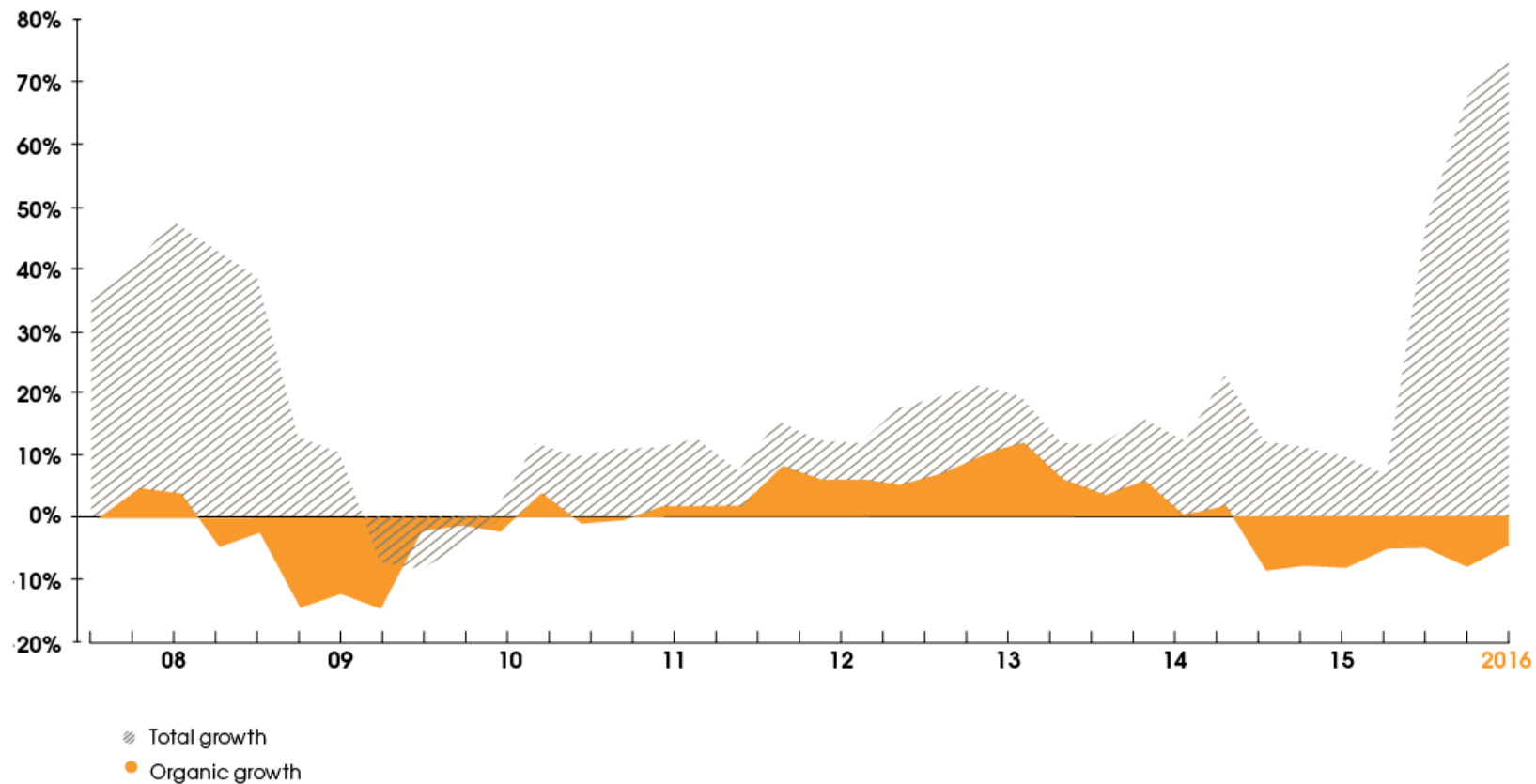
- Construction Services revenue derived from United States and United Kingdom
- Focus on water and wastewater treatment facilities



WE FOCUS ON
PERFORMANCE

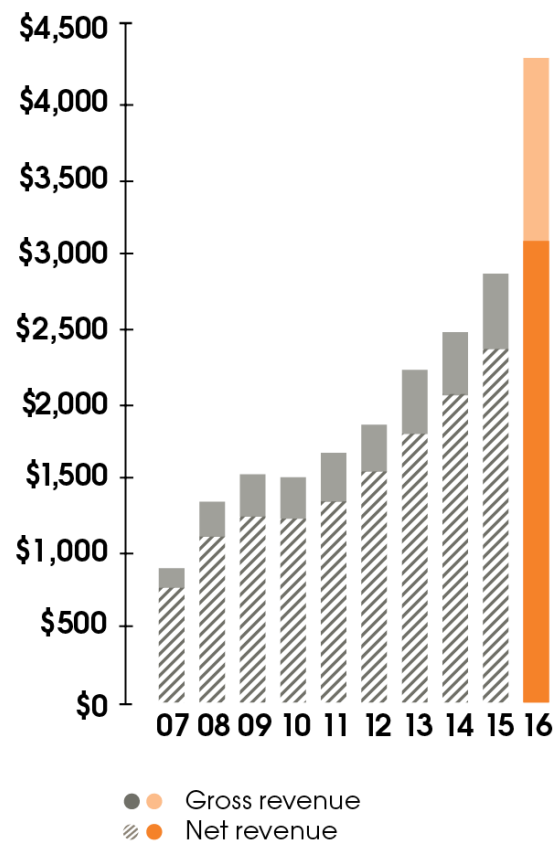
Total and Organic Revenue Growth

quarter over quarter



Gross Revenue & Net Revenue

millions (C\$)

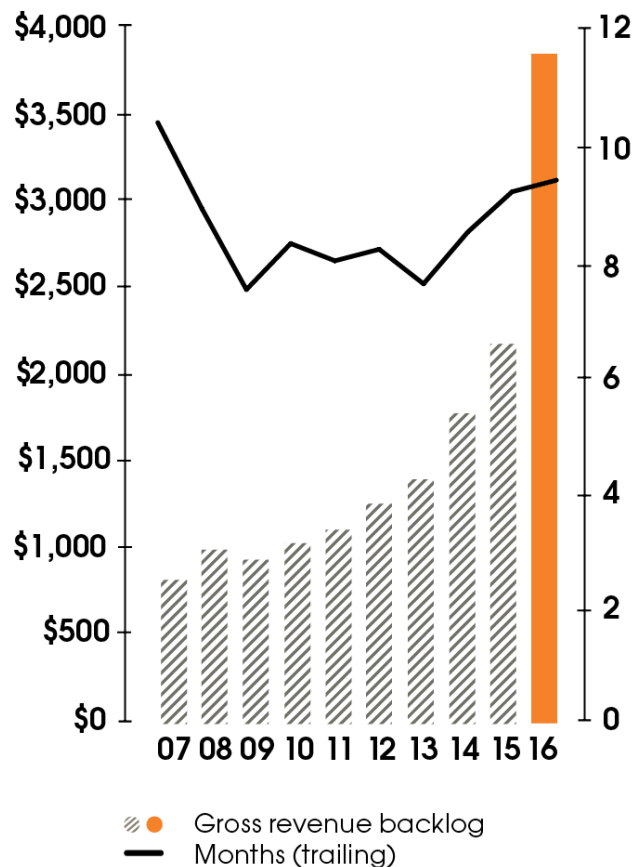


18%

10-year Gross Revenue
CAGR

Gross Revenue Backlog

millions (C\$)

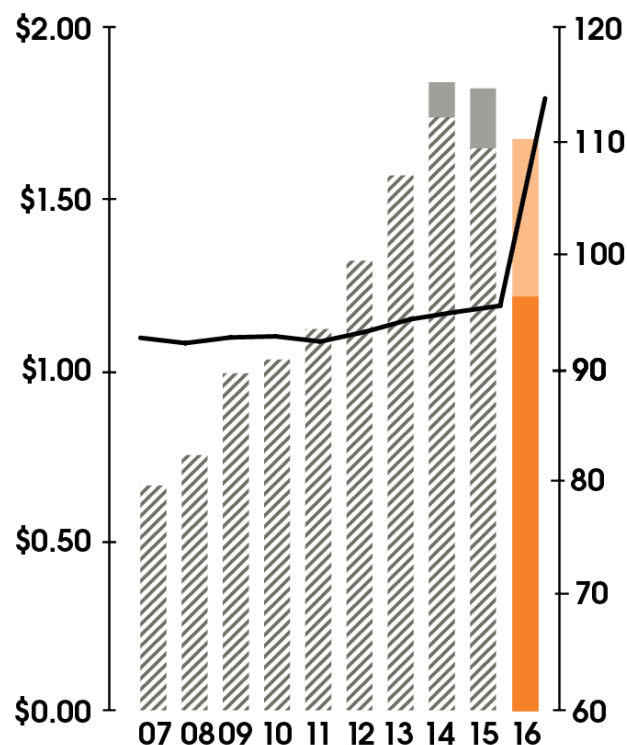


19%

10-year Gross Revenue
Backlog CAGR

EPS and Shares Outstanding

millions (C\$)



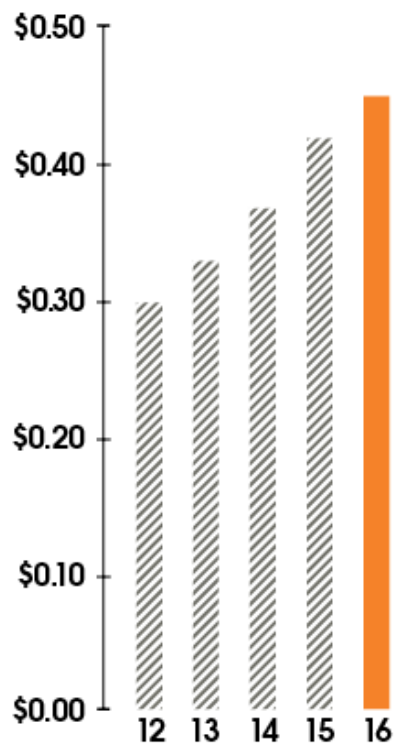
- Adjusted diluted EPS before goodwill impairment
- ▨ Diluted EPS before goodwill impairment
- Number of shares outstanding (in millions)

6%

10-year Diluted
EPS CAGR

Dividend Growth

(C\$)

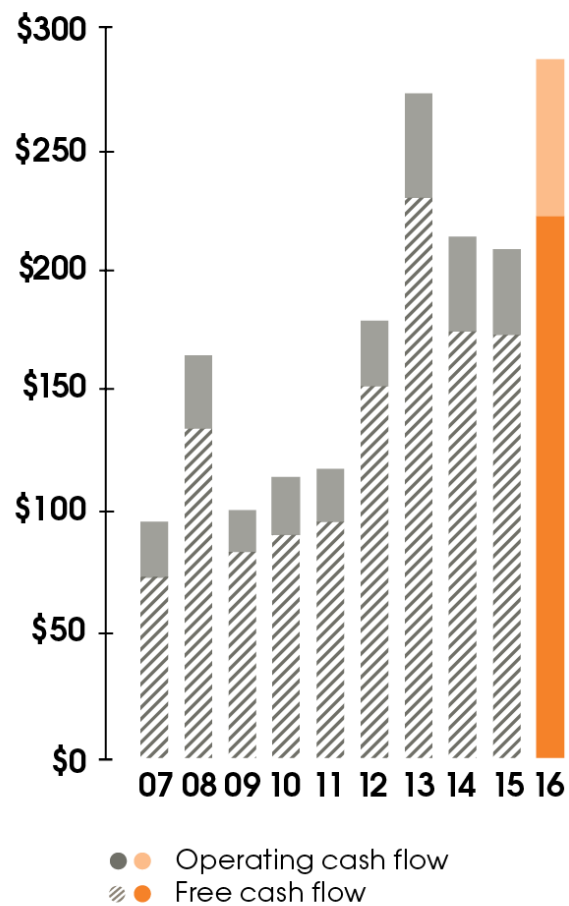


11%

4-year Dividend
CAGR

Cash Flow

millions (C\$)



CAPITAL STRUCTURE

NEW CREDIT FACILITIES

\$C800M revolving credit facility

- Expires 2020

\$C450M term loan

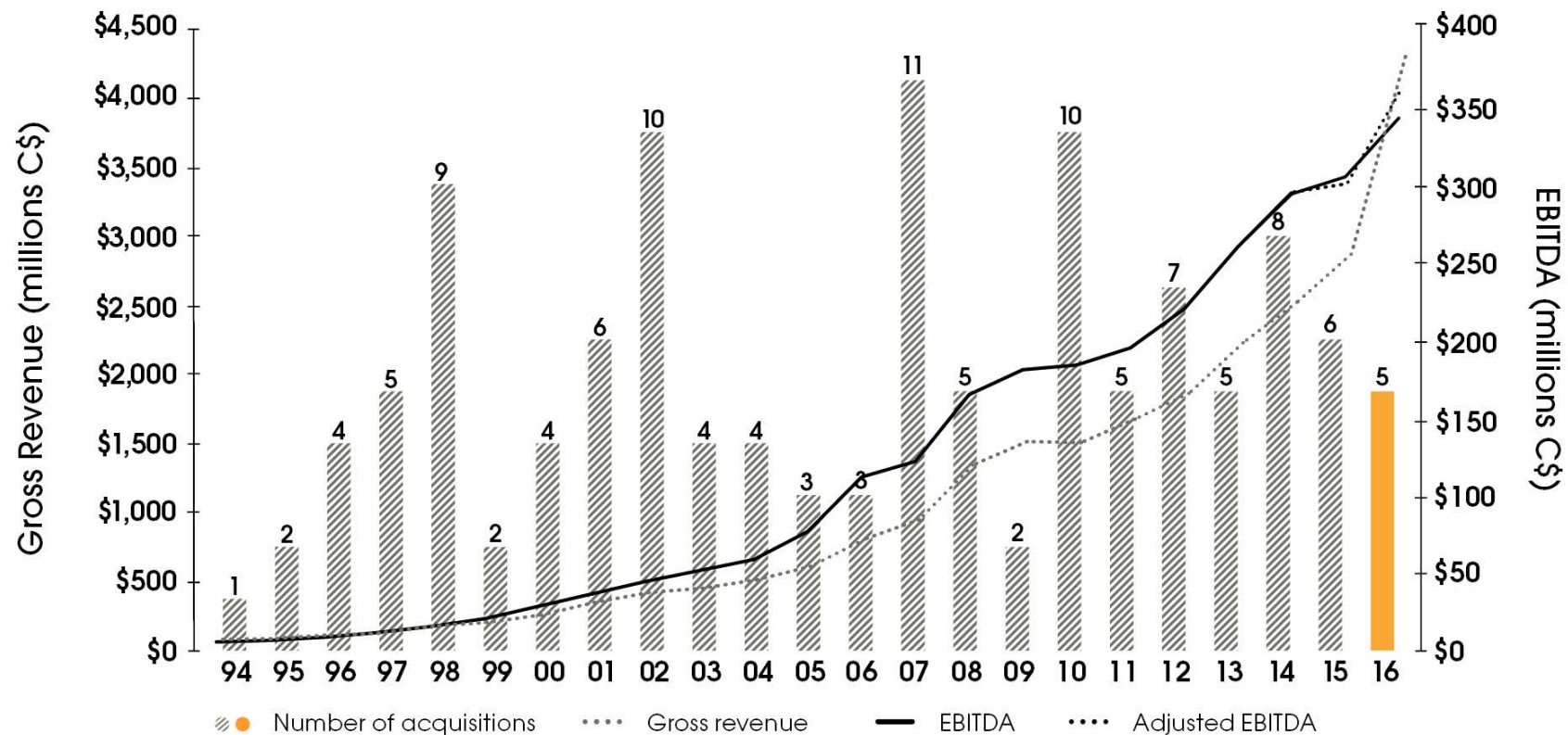
- Three tranches due 2018, 2019, 2020

NET DEBT/EBITDA

- 2.38 times at December 31, 2016

-
- Strong cash flow generation and growth prospects
 - Less than 2.0x expected EBITDA by the end of 2017
 - Strong balance sheet provides flexibility to continue executing growth strategy
 - Consistent dividend payout ratio policy and corresponding dividend growth

WE HAVE A PROVEN TRACK RECORD



BURY

300 Employees
March 2016

MWH

6,800 Employees
May 2016

VOA

280 Employees
May 2016

EDWARDS & ZUCK

120 Employees
September 2016

Arch | TB

60 Employees
December 2016



**WELCOME TO
THE STANTEC
COMMUNITY**

MWH INTEGRATION



Integration of North American consulting staff on track for Q2 2017



North American branding transition expected in late 2017



Combined insurance, health plans, and IT systems



Continuing to review Global integration



WE CONTINUE TO EVOLVE

Water Business Operating Unit
(Effective January 1, 2017)*



BUSINESS OPERATING UNITS

- 28% Infrastructure
- 22% Buildings
- 21% Water
- 17% Environmental Services
- 12% Energy & Resources

- Client Enterprise Systems
- Conveyance
- Urban Stormwater & Wet Weather Flow
- Waste Management
- Water Resources Planning & Management
- Water Treatment
- Wastewater Treatment

*Restated for 2016 to include 5 business operating units



WHY WATER?

- Aging infrastructure
- Population distribution and growth
- Climate change
- Environmental sustainability
- Affordability
- Regulatory pressures



Water-related infrastructure
investment required
will amount to
\$126 billion by 2020¹

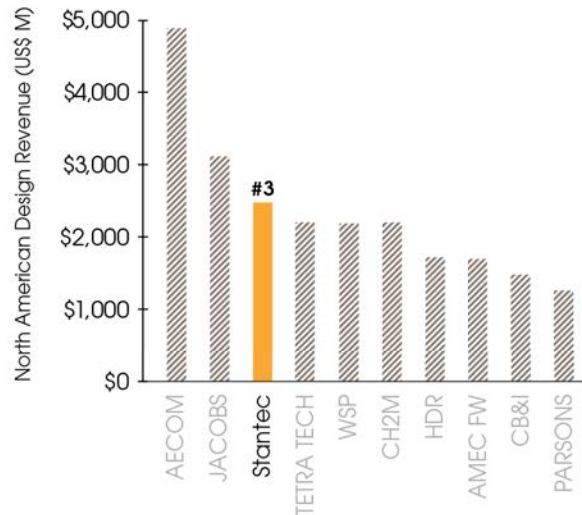
WHERE WE ARE GOING

WE ARE EXPANDING OUR DEPTH AND BREADTH

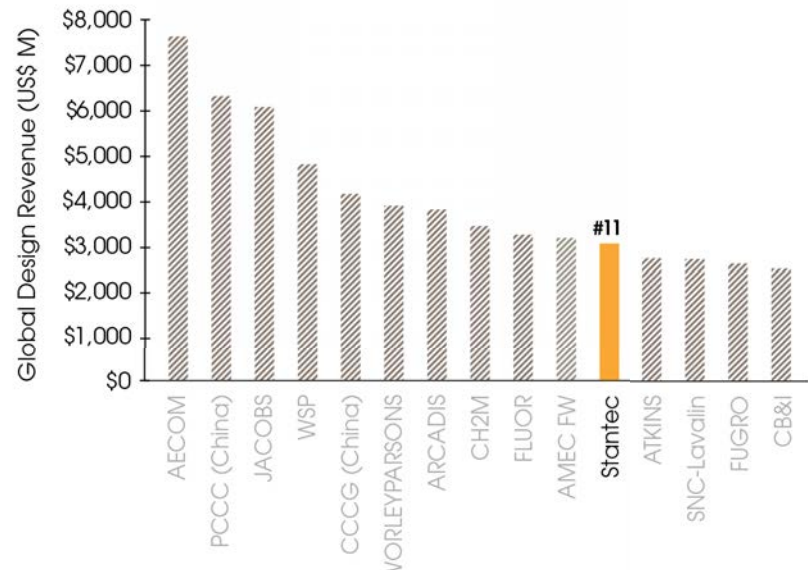


TO BE A TOP TEN GLOBAL DESIGN FIRM

Top North American Design Firms*



Top 150 Global Design Firms*



*Source: Engineering News-Record and internal analyses

Our business objective is to be a Top Ten Global Design Firm

2017 TARGETS

Measure	2017 Target Range
Gross margin as a % of net revenue	Between 53% and 55%
Administrative and marketing expenses as a % of net revenue	Between 41% and 43%
EBITDA* as a % of net revenue	Between 11% and 13%
Net income as a % of net revenue	At or above 5%

Additional Measures	2017 Target
Capital expenditures	\$75 million
Software additions	\$15 million
Amortization of intangible assets	\$85 million

* Non-IFRS measure defined in 2016 Management's Discussion and Analysis

2017 OUTLOOK

Overall

Canada

US

Global

↑ Long-term target of 15% gross revenue CAGR

↑ Continued acquisition strategy

↑ Strong backlog and client relationships

↑ Federal infrastructure spending

↑ Transit, water and wastewater

↔ Continued weakness in mining and oil and gas

↓ Residential construction

↑ Expanding economy

↑ Infrastructure spending

↑ Water and wastewater

↑ Transportation

↔ United Kingdom

↑ New Zealand and Australia

↑ Europe

↑ Latin America

WE ARE WELL POSITIONED

- Diversified across sectors, regions, and project lifecycle
- Proven track record
- Objective: top-tier position in each market and region we serve
- Robust capital structure to continue dividend growth and disciplined acquisition strategy

