

### Gross Revenue by Reportable Segment

<i>(In millions of Canadian dollars, except percentages)</i>	Quarter Ended Jun 30, 2019	Quarter Ended Jun 30, 2018	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth	% of Organic Growth
Canada	313.5	327.5	(14.0)	8.1	n/a	(22.1)	(6.7%)
United States	687.9	606.1	81.8	1.3	21.9	58.6	9.7%
Global	222.7	158.4	64.3	51.3	(2.4)	15.4	9.7%
<b>Total</b>	<b>1,224.1</b>	<b>1,092.0</b>	<b>132.1</b>	<b>60.7</b>	<b>19.5</b>	<b>51.9</b>	
<b>Percentage growth</b>			<b>12.1%</b>	<b>5.6%</b>	<b>1.7%</b>	<b>4.8%</b>	

n/a = not applicable

### Net Revenue by Reportable Segment

<i>(In millions of Canadian dollars, except percentages)</i>	Quarter Ended Jun 30, 2019	Quarter Ended Jun 30, 2018	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth	% of Organic Growth
Canada	280.1	282.8	(2.7)	7.4	n/a	(10.1)	(3.6%)
United States	502.1	461.8	40.3	1.1	16.6	22.6	4.9%
Global	171.4	118.7	52.7	47.0	(1.8)	7.5	6.3%
<b>Total</b>	<b>953.6</b>	<b>863.3</b>	<b>90.3</b>	<b>55.5</b>	<b>14.8</b>	<b>20.0</b>	
<b>Percentage growth</b>			<b>10.5%</b>	<b>6.4%</b>	<b>1.8%</b>	<b>2.3%</b>	

n/a = not applicable

### Gross Revenue by Reportable Segment

<i>(In millions of Canadian dollars, except percentages)</i>	Two Quarters Ended Jun 30, 2019	Two Quarters Ended Jun 30, 2018	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth	% of Organic Growth
Canada	621.4	630.3	(8.9)	20.6	n/a	(29.5)	(4.7%)
United States	1,324.2	1,175.7	148.5	6.7	50.9	90.9	7.7%
Global	430.0	307.3	122.7	93.2	(5.1)	34.6	11.3%
<b>Total</b>	<b>2,375.6</b>	<b>2,113.3</b>	<b>262.3</b>	<b>120.5</b>	<b>45.8</b>	<b>96.0</b>	
<b>Percentage growth</b>			<b>12.4%</b>	<b>5.7%</b>	<b>2.2%</b>	<b>4.5%</b>	

n/a = not applicable

### Net Revenue by Reportable Segment

<i>(In millions of Canadian dollars, except percentages)</i>	Two Quarters Ended Jun 30, 2019	Two Quarters Ended Jun 30, 2018	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth	% of Organic Growth
Canada	551.0	541.7	9.3	18.3	n/a	(9.0)	(1.7%)
United States	979.5	901.2	78.3	6.0	39.1	33.2	3.7%
Global	327.2	229.2	98.0	84.6	(3.0)	16.4	7.2%
<b>Total</b>	<b>1,857.7</b>	<b>1,672.1</b>	<b>185.6</b>	<b>108.9</b>	<b>36.1</b>	<b>40.6</b>	
<b>Percentage growth</b>			<b>11.1%</b>	<b>6.5%</b>	<b>2.2%</b>	<b>2.4%</b>	

n/a = not applicable

### Gross Revenue by Business Operating Unit

<i>(In millions of Canadian dollars, except percentages)</i>	Quarter Ended Jun 30, 2019	Quarter Ended Jun 30, 2018	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth (Retraction)	% of Organic Growth (Retraction)
Buildings	269.4	239.6	29.8	29.0	5.3	(4.5)	(1.9%)
Energy & Resources	157.6	151.6	6.0	7.6	1.4	(3.0)	(2.0%)
Environmental Services	192.1	166.8	25.3	7.3	2.7	15.3	9.2%
Infrastructure	352.3	300.0	52.3	16.8	6.9	28.6	9.5%
Water	252.7	234.0	18.7	-	3.2	15.5	6.6%
<b>Total</b>	<b>1,224.1</b>	<b>1,092.0</b>	<b>132.1</b>	<b>60.7</b>	<b>19.5</b>	<b>51.9</b>	
<b>Percentage growth</b>			<b>12.1%</b>	<b>5.6%</b>	<b>1.7%</b>	<b>4.8%</b>	

### Net Revenue by Business Operating Unit

<i>(In millions of Canadian dollars, except percentages)</i>	Quarter Ended Jun 30, 2019	Quarter Ended Jun 30, 2018	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth	% of Organic Growth
Buildings	217.1	187.2	29.9	26.4	4.2	(0.7)	(0.4%)
Energy & Resources	131.5	129.5	2.0	7.2	1.2	(6.4)	(4.9%)
Environmental Services	144.8	119.8	25.0	6.3	2.2	16.5	13.8%
Infrastructure	267.6	238.9	28.7	15.6	5.0	8.1	3.4%
Water	192.6	187.9	4.7	-	2.2	2.5	1.3%
<b>Total</b>	<b>953.6</b>	<b>863.3</b>	<b>90.3</b>	<b>55.5</b>	<b>14.8</b>	<b>20.0</b>	
<b>Percentage growth</b>			<b>10.5%</b>	<b>6.4%</b>	<b>1.8%</b>	<b>2.3%</b>	

Comparative figures have been reclassified due to a realignment of several business lines and to conform to the presentation adopted for the current period.

### Gross Revenue by Business Operating Unit

(In millions of Canadian dollars, except percentages)	Two Quarters	Two Quarters	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth (Retraction)	% of Organic Growth (Retraction)
	Ended Jun 30, 2019	Ended Jun 30, 2018					
Buildings	530.4	475.4	55.0	42.1	12.8	0.1	0.0%
Energy & Resources	310.1	284.5	25.6	20.2	2.9	2.5	0.9%
Environmental Services	363.9	323.4	40.5	16.6	6.0	17.9	5.5%
Infrastructure	676.3	571.4	104.9	39.8	16.3	48.8	8.5%
Water	494.9	458.6	36.3	1.8	7.8	26.7	5.8%
<b>Total</b>	<b>2,375.6</b>	<b>2,113.3</b>	<b>262.3</b>	<b>120.5</b>	<b>45.8</b>	<b>96.0</b>	
<b>Percentage growth</b>			<b>12.4%</b>	<b>5.7%</b>	<b>2.2%</b>	<b>4.5%</b>	

### Net Revenue by Business Operating Unit

(In millions of Canadian dollars, except percentages)	Two Quarters	Two Quarters	Total Change	Change Due to Acquisitions	Change Due to Foreign Exchange	Change Due to Organic Growth	% of Organic Growth
	Ended Jun 30, 2019	Ended Jun 30, 2018					
Buildings	421.0	371.1	49.9	38.1	9.9	1.9	0.5%
Energy & Resources	263.2	246.4	16.8	18.4	2.9	(4.5)	(1.8%)
Environmental Services	274.5	230.3	44.2	14.0	5.0	25.2	10.9%
Infrastructure	522.1	456.3	65.8	36.8	12.2	16.8	3.7%
Water	376.9	368.0	8.9	1.6	6.1	1.2	0.3%
<b>Total</b>	<b>1,857.7</b>	<b>1,672.1</b>	<b>185.6</b>	<b>108.9</b>	<b>36.1</b>	<b>40.6</b>	
<b>Percentage growth</b>			<b>11.1%</b>	<b>6.5%</b>	<b>2.2%</b>	<b>2.4%</b>	

Comparative figures have been reclassified due to a realignment of several business lines and to conform to the presentation adopted for the current period.

### Gross Margin by Business Operating Unit

(In millions of Canadian dollars, except percentages)	Quarter Ended June 30, 2019		Quarter Ended June 30, 2018		Two Quarters Ended June 30, 2019		Two Quarters Ended June 30, 2018	
	\$	% of Net Revenue	\$	% of Net Revenue	\$	% of Net Revenue	\$	% of Net Revenue
Buildings	120.9	55.7%	101.5	54.2%	233.0	55.3%	199.4	53.7%
Energy & Resources	64.4	49.0%	65.3	50.4%	128.4	48.8%	125.9	51.1%
Environmental Services	81.5	56.3%	67.2	56.1%	154.5	56.3%	129.8	56.4%
Infrastructure	142.8	53.4%	129.5	54.2%	280.8	53.8%	247.2	54.2%
Water	107.9	56.0%	106.5	56.7%	209.3	55.5%	208.2	56.6%
<b>Total</b>	<b>517.5</b>	<b>54.3%</b>	<b>470.0</b>	<b>54.4%</b>	<b>1,006.0</b>	<b>54.2%</b>	<b>910.5</b>	<b>54.5%</b>

note: Comparative figures have been reclassified due to a realignment of several business lines.

**Impact on Statement of Financial Position at January 1, 2019**

	IFRS 16	Before IFRS 16	Increase (Decrease)
<i>(In millions of Canadian dollars)</i>	\$	\$	\$
<b>Current assets</b>			
Trade and other receivables	828.1	878.1	(50.0)
Prepaid expenses	43.9	56.8	(12.9)
Other assets	24.3	23.2	1.1
<b>Non-current assets</b>			
Lease assets	561.8	-	561.8
Intangible assets	242.0	247.7	(5.7)
Other assets	178.2	175.5	2.7
<b>Total increase in assets</b>			<b>497.0</b>
<b>Current liabilities</b>			
Trade and other payables	566.9	567.2	(0.3)
Lease liabilities	44.8	-	44.8
Provisions	41.7	42.4	(0.7)
Other liabilities	5.0	23.2	(18.2)
<b>Non-current liabilities</b>			
Lease liabilities	600.2	-	600.2
Provisions	86.6	78.2	8.4
Deferred tax liabilities	45.6	54.3	(8.7)
Other liabilities	45.9	140.4	(94.5)
<b>Shareholders' equity</b>			
Retained earnings	817.2	851.2	(34.0)
<b>Total increase in liabilities and equity</b>			<b>497.0</b>

**Impact on Statement of Income - Continuing Operations**

	Quarter Ended Jun 30			Two Quarters Ended Jun 30		
	2019 as Reported	2019 before IFRS 16	Increase (Decrease)	2019 as Reported	2019 before IFRS 16	Increase (Decrease)
<i>(In millions of Canadian dollars)</i>	\$	\$	\$	\$	\$	\$
<b>Impact on income statement items</b>						
Administrative and marketing expenses	372.4	407.7	(35.3)	729.5	800.3	(70.8)
Net interest expense	17.7	9.5	8.2	34.9	18.6	16.3
Depreciation of lease assets	28.5	-	28.5	55.9	-	55.9
Net income	49.3	50.3	(1.0)	94.2	95.2	(1.0)
<b>Impact on non-IFRS financial measures <sup>(1)</sup></b>						
EBITDA	145.9	110.6	35.3	278.1	207.3	70.8
Adjusted EBITDA	145.4	110.1	35.3	272.5	201.7	70.8
Net debt/adjusted EBITDA - Continuing operations	1.80	2.42	(0.62)	1.80	2.42	(0.62)

*(1) Non-IFRS measures are discussed in the Definitions section of Stantec's 2018 Annual Report and Q2 19 Management's Discussion and Analysis. Net debt/adjusted EBITDA was calculated using a proforma IFRS 16 adjustment for Q3 18 to Q4 18 adjusted EBITDA, calculated as 3.8% of net revenue from the respective quarter.*

**Impact on Statement of Cash Flows - Continuing Operations**

	Quarter Ended Jun 30			Two Quarters Ended Jun 30		
	2019 as Reported	2019 before IFRS 16	Increase (Decrease)	2019 as Reported	2019 before IFRS 16	Increase (Decrease)
<i>(In millions of Canadian dollars)</i>	\$	\$	\$	\$	\$	\$
<b>Cash flows from operating activities</b>						
Cash paid to suppliers	(366.3)	(401.5)	35.2	(881.3)	(950.2)	68.9
Interest paid	(18.4)	(10.2)	(8.2)	(36.3)	(20.0)	(16.3)
<b>Cash flows used in investing activities</b>						
Proceeds from leasehold inducements	(31.4)	(28.6)	(2.8)	(135.6)	(128.0)	(7.6)
Proceeds from leasehold inducements	-	2.8	(2.8)	-	7.6	(7.6)
<b>Cash flows (used in) from financing activities</b>						
Payments of lease obligations	(70.2)	(46.0)	(24.2)	(2.0)	43.0	(45.0)
Payments of lease obligations	(27.0)	-	(27.0)	(52.6)	-	(52.6)
Proceeds from leasehold inducements	2.8	-	2.8	7.6	-	7.6

## Reconciliation of Non-IFRS Financial Measures

	Quarter Ended Jun 30		Two Quarters Ended Jun 30	
	2019	2018	2019	2018
<i>(In millions of Canadian dollars, except per share amounts)</i>				
<b>Net income from continuing operations</b>	<b>49.3</b>	<b>57.6</b>	<b>94.2</b>	<b>94.2</b>
Add back:				
Income taxes	18.1	20.6	31.7	34.2
Net interest expense	17.7	6.7	34.9	12.0
Depreciation and amortization	60.8	28.3	117.3	59.7
<b>EBITDA from continuing operations</b>	<b>145.9</b>	<b>113.2</b>	<b>278.1</b>	<b>200.1</b>
<b>Add back (deduct) pre-tax:</b>				
Unrealized gain on investments held for self-insured liabilities	(0.5)	(2.7)	(5.6)	(0.1)
<b>Adjusted EBITDA from continuing operations</b>	<b>145.4</b>	<b>110.5</b>	<b>272.5</b>	<b>200.0</b>

	Quarter Ended Jun 30		Two Quarters Ended Jun 30	
	2019	2018	2019	2018
<i>(In millions of Canadian dollars, except per share amounts)</i>				
<b>Net income from continuing operations</b>	<b>49.3</b>	<b>57.6</b>	<b>94.2</b>	<b>94.2</b>
<b>Add back (deduct) after tax:</b>				
Amortization of intangible assets related to acquisitions <sup>(1)</sup>	8.1	6.4	15.1	15.8
Unrealized gain on investments held for self-insured liabilities <sup>(2)</sup>	(0.3)	(2.0)	(4.0)	(0.1)
Transition tax (recovery) expense <sup>(3)</sup>	(1.0)	-	1.1	
<b>Adjusted net income from continuing operations</b>	<b>56.1</b>	<b>62.0</b>	<b>106.4</b>	<b>109.9</b>
Weighted average number of shares outstanding - basic	111,676,731	113,877,678	111,740,256	113,970,164
Weighted average number of shares outstanding - diluted	111,684,858	113,987,518	111,740,256	114,149,597
<b>Adjusted earnings per share from continuing operations</b>				
Adjusted earnings per share - basic	<b>0.50</b>	<b>0.54</b>	<b>0.95</b>	<b>0.96</b>
Adjusted earnings per share - diluted	<b>0.50</b>	<b>0.54</b>	<b>0.95</b>	<b>0.96</b>

See the Definitions section of Stantec's 2018 Annual Report and Q2 19 Management's Discussion and Analysis for our discussion of non-IFRS measures used. Construction Services operations are presented as discontinued operations. This table has been updated to include only continuing operation results.

(1) The add back of intangible amortization relates only to the amortization from intangible assets acquired through acquisitions and excludes the amortization of software purchased by Stantec. For the quarter ended June 30, 2019, this amount is net of tax of \$3.1 (2018 - \$3.1). For the two quarters ended June 30, 2019, this amount is net of tax of \$5.8 (2018 - \$6.6).

(2) For the quarter ended June 30, 2019, this amount is net of tax of \$0.1 (2018 - \$0.7). For the two quarters ended June 30, 2019, this amount is net of tax of \$1.5 (2018 - nil).

(3) Refer to Income Taxes section for further details.

# Stantec Inc.

## Consolidated Statement of Cash Flows Indirect Method

(Unaudited)

	For the quarter ended June 30	For the two quarters ended June 30
	2019	2019
	\$	\$
<i>(In millions of Canadian dollars)</i>		
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES FROM CONTINUING OPERATIONS</b>		
<b>Net income for the year from continuing operations</b>	<b>49.3</b>	<b>94.2</b>
Add (deduct) items not affecting cash:		
Depreciation of property and equipment	14.7	28.4
Depreciation of lease assets	28.5	55.9
Amortization of intangible assets	17.6	33.0
Deferred income taxes	(0.7)	17.1
Loss on sale of property and equipment	0.2	0.4
Realized gain on equity securities	(0.1)	(0.1)
Unrealized gain on equity securities	(0.5)	(5.6)
Share-based compensation	4.0	8.3
Provision for self-insured liabilities and claims	17.2	24.2
Share of income from joint ventures and associates	(0.4)	(0.4)
Other non-cash items	3.6	6.4
	<b>133.4</b>	<b>261.8</b>
Trade and other receivables	(31.2)	(9.9)
Unbilled receivables	21.8	(41.9)
Contract assets	(4.7)	(6.7)
Prepaid expenses	1.7	(5.8)
Income taxes recoverable	17.2	6.8
Trade and other payables	23.8	(125.1)
Deferred revenue	0.3	(5.4)
	<b>28.9</b>	<b>(188.0)</b>
<b>Cash flows from operating activities from continuing operations</b>	<b>162.3</b>	<b>73.8</b>