

Q2 2015

# CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED

For the second quarter ended June 27, 2015

# WSP Global Inc.

## Consolidated Statements of Financial Position (Unaudited)

(in millions of Canadian dollars)

	June 27, 2015 \$	December 31, 2014 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 4)	235.6	201.5
Trade, prepaid and other receivables	1,391.8	1,234.1
Income taxes receivable	80.1	98.6
Costs and anticipated profits in excess of billings	766.8	593.8
	<u>2,474.3</u>	<u>2,128.0</u>
<b>Non-current assets</b>		
Other assets	117.9	125.9
Deferred income tax assets	102.4	126.7
Property, plant and equipment	217.3	202.4
Intangible assets	367.9	375.0
Goodwill (note 5)	2,054.7	1,985.1
	<u>2,860.2</u>	<u>2,815.1</u>
<b>Total assets</b>	<u>5,334.5</u>	<u>4,943.1</u>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	1,114.8	1,064.4
Billings in excess of costs and anticipated profits	457.9	386.0
Income taxes payable	74.1	95.0
Dividends payable to shareholders (note 11)	33.6	33.2
Current portion of long-term debts (note 6)	10.3	11.0
Other current financial liabilities	89.4	44.3
	<u>1,780.1</u>	<u>1,633.9</u>
<b>Non-current liabilities</b>		
Long-term debts (note 6)	859.5	788.1
Other non-current financial liabilities	3.7	2.0
Provisions	45.7	41.0
Retirement benefit obligations	221.4	223.8
Deferred income tax liabilities	86.9	105.3
	<u>2,017.2</u>	<u>2,160.2</u>
<b>Total liabilities</b>	<u>2,997.3</u>	<u>2,794.1</u>
<b>Equity</b>		
<b>Equity attributable to shareholders</b>		
Share capital (note 7)	2,014.8	1,976.6
Contributed surplus	201.0	200.0
Accumulated other comprehensive income	124.5	30.2
Retained earnings (deficit)	1.6	(55.0)
	<u>2,341.9</u>	<u>2,151.8</u>
Non-controlling interest	(4.7)	(2.8)
	<u>2,337.2</u>	<u>2,149.0</u>
<b>Total equity</b>	<u>2,337.2</u>	<u>2,149.0</u>
<b>Total liabilities and equity</b>	<u>5,334.5</u>	<u>4,943.1</u>

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

Approved by the Board of Directors

(signed) Pierre Shoiry \_\_\_\_\_ Director

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(signed) Pierre Seccareccia \_\_\_\_\_ Director

# WSP Global Inc.

## Consolidated Statements of Earnings (Unaudited)

(in millions of Canadian dollars, except the number of shares and per share data)

	Second quarter ended		Year-to-date ended	
	June 27, 2015 \$	June 28, 2014 \$	June 27, 2015 \$	June 28, 2014 \$
<b>Revenues</b>	<b>1,497.2</b>	<b>602.5</b>	<b>2,900.9</b>	<b>1,113.6</b>
Personnel costs	846.1	388.5	1,644.7	724.7
Subconsultants and direct costs	408.3	89.4	787.2	159.9
Other operational costs	135.2	72.3	281.6	138.5
Non-underlying items (note 8)	(47.2)	2.6	(42.5)	2.6
Depreciation of property, plant and equipment	14.5	7.4	28.5	13.8
Amortization of intangible assets	18.2	9.5	36.5	18.1
Exchange loss (gain)	4.4	0.6	1.8	(0.1)
Share of income of associates and joint venture (net of tax)	(1.2)	(1.5)	(2.7)	(3.2)
<b>Total net operational costs</b>	<b>1,378.3</b>	<b>568.8</b>	<b>2,735.1</b>	<b>1,054.3</b>
Net finance expenses (note 9)	13.6	3.1	23.9	6.5
<b>Earnings before income taxes</b>	<b>105.3</b>	<b>30.6</b>	<b>141.9</b>	<b>52.8</b>
<b>Income tax expenses (note 10)</b>	<b>9.8</b>	<b>7.0</b>	<b>18.4</b>	<b>12.3</b>
<b>Net earnings for the period</b>	<b>95.5</b>	<b>23.6</b>	<b>123.5</b>	<b>40.5</b>
<b>Net earnings (loss) attributable to:</b>				
Shareholders	95.4	24.3	123.7	41.6
Non-controlling interests	0.1	(0.7)	(0.2)	(1.1)
	95.5	23.6	123.5	40.5
Basic net earnings per share attributable to shareholders	1.07	0.40	1.39	0.73
Diluted net earnings per share attributable to shareholders	1.07	0.40	1.39	0.73
Basic average number of shares	89,548,573	61,403,192	89,251,117	57,092,188
Diluted weighted average number of shares	89,603,450	61,403,192	89,280,429	57,092,188

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

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# WSP Global Inc.

## Consolidated Statements of Comprehensive Income (Unaudited)

(in millions of Canadian dollars)

	Second quarter ended		Year-to-date ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
	\$	\$	\$	\$
<b>Comprehensive income</b>				
Net earnings for the period	95.5	23.6	123.5	40.5
<b>Other comprehensive income, net of tax</b>				
<i>Items that may be reclassified subsequently to net income</i>				
Currency translation adjustments	(24.0)	(28.1)	113.6	(2.5)
Fair value re-evaluations – available-for-sale assets (net of tax expense of nil and \$1.0 year-to-date)	0.2	-	1.5	-
Translation adjustments on financial instruments designated as net investment hedge (net of a tax expense/(recovery) of \$2.0 (\$0.2 in 2014) and (\$4.8) year-to-date ((\$0.5) in 2014)	13.3	2.1	(31.9)	(2.5)
<i>Items that will not be reclassified to net income</i>				
Actuarial (loss)/gain on pension scheme (net of a tax expense/(recovery) of \$4.2 ((\$1.5) in 2014)) and \$3.2 year-to-date ((\$1.6) in 2014)	15.4	(5.9)	11.1	(6.7)
<b>Total comprehensive income for the period</b>	<b>100.4</b>	<b>(8.3)</b>	<b>217.8</b>	<b>28.8</b>
<b>Comprehensive income (loss) attributable to:</b>				
Shareholders	100.3	(7.9)	218.0	29.7
Non-controlling interests	0.1	(0.4)	(0.2)	(0.9)
	<b>100.4</b>	<b>(8.3)</b>	<b>217.8</b>	<b>28.8</b>

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

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# WSP Global Inc.

## Consolidated Statements of Changes in Equity (Unaudited)

(in millions of Canadian dollars)

	Attributable to Shareholders				Total \$	Non- controlling interests \$	Total equity \$
	Share capital \$	Contributed Surplus \$	Retained earnings (deficit) \$	Accumulated other comprehensive income \$			
<b>Balance – January 1, 2014</b>	<b>934.4</b>	<b>-</b>	<b>(5.4)</b>	<b>45.3</b>	<b>974.3</b>	<b>(0.7)</b>	<b>973.6</b>
Common shares issued under the DRIP	19.5	-	-	-	19.5	-	19.5
Common shares issued via private placements	84.2	-	-	-	84.2	-	84.2
Common shares issued via public offerings	200.0	-	-	-	200.0	-	200.0
Capital reduction	(200.0)	200.0	-	-	-	-	-
<b>Comprehensive income</b>							
Net earnings for the period	-	-	41.6	-	41.6	(1.1)	40.5
Actuarial loss on pension schemes (net of tax)	-	-	-	(6.7)	(6.7)	-	(6.7)
Currency translation adjustments	-	-	-	(2.7)	(2.7)	0.2	(2.5)
Net investment hedge (net of tax)	-	-	-	(2.5)	(2.5)	-	(2.5)
<b>Total comprehensive income (loss)</b>	<b>-</b>	<b>-</b>	<b>41.6</b>	<b>(11.9)</b>	<b>29.7</b>	<b>(0.9)</b>	<b>28.8</b>
Declared dividends to shareholders	-	-	(46.1)	-	(46.1)	(1.5)	(47.6)
<b>Balance – June 28, 2014</b>	<b>1,038.1</b>	<b>200.0</b>	<b>(9.9)</b>	<b>33.4</b>	<b>1,261.6</b>	<b>(3.1)</b>	<b>1,258.5</b>

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

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# WSP Global Inc.

## Consolidated Statements of Changes in Equity (Unaudited)

(in millions of Canadian dollars)

	Attributable to Shareholders				Total \$	Non- controlling interests \$	Total equity \$
	Share capital \$	Contributed Surplus \$	Retained earnings (deficit) \$	Accumulated other comprehensive income \$			
<b>Balance – January 1, 2015</b>	<b>1,976.6</b>	<b>200.0</b>	<b>(55.0)</b>	<b>30.2</b>	<b>2,151.8</b>	<b>(2.8)</b>	<b>2,149.0</b>
Common shares issued under the DRIP (note 7)	34.2	-	-	-	34.2	-	34.2
Common shares issued in business acquisition (note 7)	4.0	-	-	-	4.0	-	4.0
Stock-based compensation expense	-	1.0	-	-	1.0	-	1.0
<b>Comprehensive income</b>							
Net earnings for the period	-	-	123.7	-	123.7	(0.2)	123.5
Actuarial (gain)/loss on pension schemes (net of tax)	-	-	-	11.1	11.1	-	11.1
Currency translation adjustments	-	-	-	113.6	113.6	-	113.6
Fair value re-evaluations – available-for-sale assets (net of tax)	-	-	-	1.5	1.5	-	1.5
Net investment hedge (net of tax)	-	-	-	(31.9)	(31.9)	-	(31.9)
<b>Total comprehensive income (loss)</b>	<b>-</b>	<b>-</b>	<b>123.7</b>	<b>94.3</b>	<b>218.0</b>	<b>(0.2)</b>	<b>217.8</b>
Declared dividends to shareholders (note 11)	-	-	(67.1)	-	(67.1)	(1.7)	(68.8)
<b>Balance – June 27, 2015</b>	<b>2,014.8</b>	<b>201.0</b>	<b>1.6</b>	<b>124.5</b>	<b>2,341.9</b>	<b>(4.7)</b>	<b>2,337.2</b>

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

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# WSP Global Inc.

## Consolidated Statements of Cash Flows (Unaudited)

(in millions of Canadian dollars)

	Second quarter ended		Year-to-date ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
	\$	\$	\$	\$
<b>Cash flows generated from (used in) operating activities</b>				
Net earnings for the period	95.5	23.6	123.5	40.5
Adjustments (note 12a))	(33.7)	13.6	(8.1)	23.3
Income tax expenses	9.8	7.0	18.4	12.3
Income taxes paid	(6.1)	(9.4)	(17.5)	(18.2)
Net finance expenses (note 9)	13.6	3.1	23.9	6.5
	79.1	37.9	140.2	64.4
Change in non-cash working capital items (note 12b))	18.1	(1.4)	(192.3)	(28.0)
<b>Net cash and cash equivalents generated from (used in) operating activities</b>	<b>97.2</b>	<b>36.5</b>	<b>(52.1)</b>	<b>36.4</b>
<b>Cash flows generated from (used in) financing activities</b>				
Dividends paid to shareholders	(16.4)	(13.1)	(32.5)	(23.2)
Net variation in long-term debts	(136.9)	85.1	33.8	85.1
Repayment of other financial liabilities	(4.0)	(0.1)	(4.1)	(6.4)
Repayment of financing lease	(2.6)	(2.4)	(5.0)	-
Finance expenses paid and financing costs	(7.9)	(2.4)	(15.1)	(4.8)
Issuance of common shares, net of issuance costs	-	281.8	-	281.8
Dividends paid to a non-controlling interest	(1.7)	-	(1.7)	(1.5)
<b>Net cash and cash equivalents generated from (used in) financing activities</b>	<b>(169.5)</b>	<b>348.9</b>	<b>(24.6)</b>	<b>331.0</b>
<b>Cash flows generated from (used in) investing activities</b>				
Business acquisitions	6.3	(374.8)	5.3	(375.6)
Net proceeds from disposal of an equity investment in an associate (note 8)	88.5	-	88.5	-
Additions to property, plant and equipment	(17.4)	(7.6)	(35.6)	(13.5)
Proceeds from disposal of property, plant and equipment	-	0.1	0.8	1.1
Additions to intangible assets	(3.9)	(0.9)	(7.8)	(2.2)
Dividend received from associates	11.2	1.8	11.2	1.8
Investment increase in associates and joint ventures	-	-	(0.9)	-
<b>Net cash and cash equivalents generated from (used in) investing activities</b>	<b>84.7</b>	<b>(381.4)</b>	<b>61.5</b>	<b>(388.4)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(3.0)</b>	<b>(1.4)</b>	<b>4.8</b>	<b>0.7</b>
<b>Net change in cash and cash equivalents</b>	<b>9.4</b>	<b>2.6</b>	<b>(10.4)</b>	<b>(20.3)</b>
<b>Cash and cash equivalents including bank overdraft – Beginning of period</b>	<b>156.5</b>	<b>77.2</b>	<b>176.3</b>	<b>100.1</b>
<b>Cash and cash equivalents including bank overdraft (note 4) – End of period</b>	<b>165.9</b>	<b>79.8</b>	<b>165.9</b>	<b>79.8</b>

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

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# WSP Global Inc.

Notes to consolidated financial statements

(Unaudited)

June 27, 2015

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# **WSP Global Inc.**

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

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(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

### **1 Business description**

WSP Global Inc. (the "Corporation" or "WSP") is one of the world's leading professional services firms in its industry, working with governments, businesses, architects and planners and providing integrated solutions across many disciplines. The firm provides services to transform the built environment and restore the natural environment, and its expertise ranges from environmental remediation to urban planning, from engineering iconic buildings to designing sustainable transport networks, and from developing the energy sources of the future to enabling new ways of extracting essential resources. WSP operates in different market sectors: buildings, infrastructure (including transportation and municipal infrastructure), industrial and energy (including mining, oil and gas) and environment. The address of its main registered office is 1600, René-Lévesque Boulevard West, Montreal, Quebec.

The common shares of the Corporation are listed under the trading symbol "WSP" on the Toronto Stock Exchange ("TSX").

### **2 Summary of significant accounting policies**

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, "Interim Financial Reporting." The accounting policies followed in these interim condensed consolidated financial statements are the same as those applied in the Corporation's annual consolidated financial statements for the year ended December 31, 2014. All disclosures required for annual consolidated financial statements have not been included in these interim condensed consolidated financial statements. Therefore, these unaudited interim condensed consolidated financial statements should be read in conjunction with the Corporation's most recent audited annual consolidated financial statements.

The accompanying interim condensed consolidated financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by Management to fairly state the Corporation's results of operations, financial position and cash flows. The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year.

These interim condensed consolidated financial statements were approved by the Corporation's Board of Directors on August 4, 2015.

These interim condensed consolidated financial statements were prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and financial liabilities at fair value through the consolidated statement of earnings and in the consolidated statement of comprehensive income.

The Corporation's operations are affected by seasonality with the third quarter usually its highest and the first quarter usually its lowest.

# WSP Global Inc.

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

### 3 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical trends and other factors, including expectations of future events that are likely to materialize under reasonable circumstances.

The preparation of the interim condensed consolidated financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The significant estimates, judgments and assumptions made by management in applying the Corporation's accounting policies are the same as those applied and described in the annual consolidated financial statements for the year ended December 31, 2014.

### 4 Cash and cash equivalents

	June 27, 2015 \$	December 31, 2014 \$
Cash and cash equivalents	235.6	201.5
Less: Bank overdraft	(69.7)	(25.2)
<b>Cash and cash equivalents including bank overdraft</b>	<b>165.9</b>	<b>176.3</b>

### 5 Goodwill

	June 27, 2015 \$	December 31, 2014 \$
<b>Balance – Beginning of period</b>	1,985.1	734.6
Goodwill resulting from business acquisitions*	(4.4)	1,239.9
Exchange differences	74.0	10.6
<b>Balance – End of period</b>	<b>2,054.7</b>	<b>1,985.1</b>

\*: Includes reduction of US\$16.7 relating to the final settlement of Parsons Brinckerhoff's acquisition price. Final purchase price allocation adjustments related to this acquisition will be completed in the fourth quarter of 2015.

# WSP Global Inc.

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

### 6 Long-term debts

	June 27, 2015 \$	December 31, 2014 \$
Credit facilities	856.8	786.1
Mortgage bearing interest at 5.75%, payable in monthly instalments of less than \$0.1 including principal and interest, secured by a hypothec over land and building with a net book value of \$10.2, renewable in August 2015	6.3	6.4
Debts bearing interest at Colombia's prime rate plus a margin varying from 5% to 7.65%, maturing between August 2015 and May 2017	5.0	4.6
Other long-term debts	1.7	2.0
	<u>869.8</u>	<u>799.1</u>
Less: Current portion	10.3	11.0
	<u>859.5</u>	<u>788.1</u>

#### Credit facilities

WSP has in place a US\$1,400.0 million credit facility with a syndicate of financial institutions, made up of:

a senior secured revolving credit facility, which was increased by US\$200.0 on June 26, 2015 to a maximum amount of US\$1,000.0 (the "Revolving Credit Facility"), and, for which, the maturity date was extended by one year to December 31, 2019; and

a senior secured non-revolving term credit facility consisting of three tranches in the maximum principal amounts of US\$100.0, US\$100.0 and US\$200.0 (collectively, the "Term Facility"), each available as a single drawdown and maturing on October 31, 2016, October 31, 2017, and October 31, 2018, respectively.

# WSP Global Inc.

Notes to consolidated financial statements  
(Unaudited)  
June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

## 7 Share capital

### Authorized

An unlimited number of common shares without par value, voting and participating.

An unlimited number of preferred shares without par value, participating, issuable in series.

### Issued and paid

	<u>Common shares</u>	
	Number	\$
<b>Balance as at January 1, 2014</b>	52,381,063	934.4
Shares issued related to public bought deals and private placements	34,840,700	1,195.8
Shares issued under the DRIP	1,366,957	46.4
Reduction of capital	-	(200.0)
<b>Balance as at December 31, 2014</b>	88,588,720	1,976.6
Shares issued in business acquisition*	99,202	4.0
Shares issued under the DRIP (note 11)	944,483	34.2
<b>Balance as at June 27, 2015</b>	<u>89,632,405</u>	<u>2,014.8</u>

\*: SPL Consultants Limited acquisition completed on April 1, 2015.

As at June 27, 2015, no preferred shares were issued.

## 8 Non-underlying items

	Second quarter ended		Year-to-date ended	
	June 27, 2015 \$	June 28, 2014 \$	June 27, 2015 \$	June 28, 2014 \$
Business acquisition related costs	1.1	1.4	1.1	1.4
Newly acquired business integration costs	19.3	0.9	22.1	0.9
(Gain) on sale of equity interest in associate*	(69.7)	-	(69.7)	-
Existing operations restructuring and reorganization costs	2.1	0.3	4.0	0.3
	<u>(47.2)</u>	<u>2.6</u>	<u>(42.5)</u>	<u>2.6</u>

\*: On May 22, 2015, the Corporation sold its 24.73% equity investment in an associate, Multiconsult, for gross proceeds of approximately \$97.0, including a special dividend of approximately \$8.5 million.

# WSP Global Inc.

Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

## 9 Net finance expenses

	Second quarter ended		Year-to-date ended	
	June 27, 2015 \$	June 28, 2014 \$	June 27, 2015 \$	June 28, 2014 \$
Interest related to credit facilities	10.2	2.3	17.9	3.8
Net finance expenses on pension obligations	1.9	1.1	3.8	2.3
Exchange loss/(gain) on liabilities in foreign currencies	0.7	(0.6)	0.8	(0.1)
Other interest and bank charges	1.6	0.5	2.6	0.9
Loss/(gain) on sale of assets available for sale	(0.2)	-	(0.2)	-
Interest income	(0.6)	(0.2)	(1.0)	(0.4)
	<u>13.6</u>	<u>3.1</u>	<u>23.9</u>	<u>6.5</u>

## 10 Income taxes

The weighted average applicable tax rate for the year-to-date period was 13.2% compared to 24.8% for the same period in 2014. During the second quarter of 2015, the Corporation disposed on an equity investment in an associate which generated a \$69.7 non-taxable capital gain. Excluding this capital gain, the weighted average tax rate for year-to-date 2015 would have been 26.3%.

## 11 Dividends

The Corporation aims to declare and pay cash dividends on a quarterly basis to shareholders. The total amount of dividends declared by the Corporation for the second quarter ended June 27, 2015 was \$33.6 or \$0.375 per share.

### *Dividend reinvestment plan (DRIP)*

Under the DRIP, the holders of common shares may elect to have cash dividends reinvested into additional common shares. The shares to be delivered can be purchased on the open market or issued from treasury at the discretion of Management. The shares issued from treasury can be issued at a discount of up to 5.0% of the applicable average market price.

Following the payment of the dividends declared on November 11, 2014 and March 17, 2015, \$34.2 was reinvested in 944,483 common shares under the DRIP.

On July 15, 2015, on the payment of the second quarter dividend, \$16.7 was reinvested in 421,726 additional shares under the DRIP.

# WSP Global Inc.

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

### 12 Statements of cash flows

a) Adjustments	Second quarter ended		Year-to-date ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
	\$	\$	\$	\$
Depreciation and amortization	32.7	16.9	65.0	31.9
Gain on disposal of an equity investment in associate	(69.7)	-	(69.7)	-
Share of income per statements of earnings of associates and joint ventures (net of tax)	(1.2)	(1.5)	(2.7)	(3.2)
Defined benefit pension scheme expense	0.8	0.2	1.6	0.4
Cash contribution to defined benefit pension schemes	(2.9)	(2.3)	(5.5)	(4.7)
Foreign exchange and non-cash movements	0.7	(0.3)	0.6	(0.2)
Others	5.9	0.6	2.6	(0.9)
	<u>(33.7)</u>	<u>13.6</u>	<u>(8.1)</u>	<u>23.3</u>
b) Change in non-cash working capital items	Second quarter ended		Year-to-date ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
	\$	\$	\$	\$
Decrease (increase) in:				
Trade, prepaid and other receivables	(14.3)	(16.2)	(94.4)	(10.4)
Costs and anticipated profits in excess of billings	(64.8)	(16.0)	(146.2)	(47.1)
Increase (decrease) in:				
Accounts payable and accrued liabilities	61.8	21.1	(4.0)	4.4
Billings in excess of costs and anticipated profits	35.4	9.7	52.3	25.1
	<u>18.1</u>	<u>(1.4)</u>	<u>(192.3)</u>	<u>(28.0)</u>
c) Transactions not affecting cash and cash equivalents	Second quarter ended		Year-to-date ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
	\$	\$	\$	\$
Additions to intangible assets and prepaids through a finance lease and financial liabilities	0.2	-	1.4	2.3

# WSP Global Inc.

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

### 13 Segment information

Effective January 1, 2015, the Corporation manages through four reportable operating segments, which are the following: Canada, Americas (USA and South America), EMEIA (Europe, Middle East, India and Africa) and APAC (Asia-Pacific, comprising mainly Asia and Australia).

The Executive Committee assesses the performance of the operating segments based on revenues, net revenues and adjusted EBITDA. Adjusted EBITDA excludes items identified by Management as non-underlying items, such as restructuring, business acquisition transaction and integration expenses, and also excludes global corporate costs. Global corporate costs are expenses and salaries related to centralized functions, like global finance, human resources and technology teams, which are not allocated to segments. This measure also excludes the effects of financial expenses, amortization, depreciation and income taxes.

Sales between segments are carried out at arm's length. The revenues reported to the Executive Committee are measured in a similar manner as in the consolidated statements of earnings and exclude intercompany sales.

The table below presents the Corporation's operations based on reportable operating segments.

	Second quarter ended June 27, 2015				
	Canada	Americas	EMEIA	APAC	Total
Revenues	224.3	587.9	500.4	184.6	1,497.2
Less: Subconsultants and direct costs	(35.9)	(255.3)	(94.2)	(22.9)	(408.3)
Net revenues	188.4	332.6	406.2	161.7	1,088.9
Adjusted EBITDA	20.2	54.3	42.7	14.2	131.4
Global corporate costs					(25.4)
Non-underlying items					47.2
Financial expenses					(14.2)
Depreciation and amortization					(32.7)
Share of taxation and amortization of associates					(1.0)
Earnings before income tax					105.3

# WSP Global Inc.

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

	Second quarter ended June 28, 2014				
	Canada	Americas	EMEIA	APAC	Total
Revenues	212.7	69.0	288.9	31.9	602.5
Less: Subconsultants and direct costs	(30.8)	(11.9)	(43.1)	(3.6)	(89.4)
Net revenues	181.9	57.1	245.8	28.3	513.1
Adjusted EBITDA	25.4	8.2	25.3	1.7	60.6
Global corporate costs					(5.6)
Non-underlying items					(2.6)
Financial expenses					(3.3)
Depreciation and amortization					(16.9)
Share of taxation and amortization of associates					(1.6)
Earnings before income tax					30.6

	Year-to-date ended June 27, 2015				
	Canada	Americas	EMEIA	APAC	Total
Revenues	440.5	1,109.2	990.6	360.6	2,900.9
Less: Subconsultants and direct costs	(78.8)	(474.0)	(188.0)	(46.4)	(787.2)
Net revenues	361.7	635.2	802.6	314.2	2,113.7
Adjusted EBITDA	37.3	85.0	84.2	22.2	228.7
Global corporate costs					(37.4)
Non-underlying items					42.5
Financial expenses					(24.9)
Depreciation and amortization					(65.0)
Share of taxation and amortization of associates					(2.0)
Earnings before income tax					141.9



# WSP Global Inc.

## Notes to consolidated financial statements

(Unaudited)

June 27, 2015

(in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

	Year-to-date ended June 28, 2014				
	Canada	Americas	EMEIA	APAC	Total
Revenues	336.5	135.9	580.7	60.5	1,113.6
Less: Subconsultants and direct costs	(45.6)	(22.7)	(85.4)	(6.2)	(159.9)
Net revenues	290.9	113.2	495.3	54.3	953.7
Adjusted EBITDA	35.9	14.4	51.6	2.4	104.3
Global corporate costs					(7.2)
Non-underlying items					(2.6)
Financial expenses					(6.9)
Depreciation and amortization					(31.9)
Share of taxation and amortization of associates					(2.9)
Earnings before income tax					52.8

## 14 Subsequent Events

On June 30, 2015, the Corporation acquired Faveo Group (“Faveo”), a leading project management firm based in Norway and Sweden. Faveo provides project management services and associated specialist services in the areas of infrastructure and energy. This acquisition added 400 employees to our Nordic based workforce.

On July 1, 2015, the Corporation acquired Caravel Investments Ltd. and Levelton Consultants Ltd., its wholly-owned subsidiary (collectively, “Levelton”), a leading consulting engineering firm based in British Columbia and Alberta. Levelton provides a diverse range of specialized engineering solutions in the areas of environment, geotechnical, building science and materials engineering and testing. This acquisition added 215 employees to our workforce and strengthened our position in the professional environmental services in Canada, growing the environmental group to 1,100 employees across Canada.

The acquisitions noted above were financed with our existing credit facilities (see note 6).