FIRST QUARTER ENDED MARCH 30, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

MAY 13, 2019

ABOUT US

WSP is one of the world's leading professional services consulting firms. We are dedicated to our local communities and propelled by international brainpower. We are technical experts and strategic advisors including engineers, technicians, scientists, architects, planners, surveyors and environmental specialists, as well as other design, program and construction management professionals. We design lasting solutions in the Transportation & Infrastructure, Property & Buildings, Environment, Power & Energy, Resources and Industry sectors, as well as offering strategic advisory services. With approximately 48,000 talented people globally, we engineer projects that will help societies grow for lifetimes to come.

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TABLE OF CONTENTS

1	MANAGEMENT'S DISCUSSION AND ANALYSIS	4
2	NON-IFRS MEASURES	4
3	CORPORATE OVERVIEW	5
4	Q1 2019 FINANCIAL RESULTS HIGHLIGHTS	8
5	HIGHLIGHTS	9
6	Q1 2019 REVIEW	10
7	FINANCIAL REVIEW	12
8	LIQUIDITY	21
9	EIGHT QUARTER SUMMARY	24
10	GOVERNANCE	25
11	SIGNIFICANT ACCOUNTING POLICIES	26
12	FUTURE ACCOUNTING STANDARDS	26
13	FINANCIAL INSTRUMENTS	26
14	RELATED PARTY TRANSACTIONS	27
15	OFF-BALANCE SHEET AGREEMENTS	27
16	OUTLOOK	28
17	FORWARD-LOOKING STATEMENTS	29
18	RISK FACTORS	30
19	ADDITIONAL INFORMATION	30
20	GLOSSARY	31

1 MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") of consolidated financial position and consolidated results of operations dated May 13, 2019, is intended to assist readers in understanding WSP Global Inc. (the "Corporation" or "WSP") and its business environment, strategies, performance and risk factors. This MD&A should be read together with the unaudited interim condensed consolidated financial statements and accompanying notes of the Corporation for the quarter ended March 30, 2019, and the audited consolidated financial statements and accompanying notes of the Corporation for the year ended December 31, 2018. The Corporation's unaudited interim condensed consolidated financial statements for the period ended March 30, 2019, have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and as set out by the Chartered Professional Accountants (CPA) Canada Handbook - Accounting. All amounts shown in this MD&A are expressed in Canadian dollars, unless otherwise indicated. All quarterly information disclosed in this MD&A is based on unaudited figures.

This MD&A focuses on the Corporation's first quarter results, covering the period from January 1, 2019 to March 30, 2019. The Corporation's second and third quarters are always comprised of 13 weeks of operations. However, the number of weeks of operations in the first and fourth quarters will vary as the Corporation has a statutory December 31 year-end.

In this MD&A, references to the "Corporation", "we", "us", "our" and "WSP" or "WSP Global" refer to WSP Global Inc. Depending on the context, this term may also include subsidiaries and associated companies.

2 NON-IFRS MEASURES

The Corporation reports its financial results in accordance with IFRS. However, in this MD&A, the following non-IFRS measures are used by the Corporation: net revenues; EBITDA; adjusted EBITDA; adjusted EBITDA margin; adjusted EBITDA before Global Corporate costs; adjusted EBITDA margin before Global Corporate costs; adjusted net earnings; adjusted net earnings per share; adjusted net earnings excluding amortization of intangible assets related to acquisitions; adjusted net earnings excluding amortization of intangible assets related to acquisitions per share; acquisition, integration and restructuring costs; backlog; funds from operations; funds from operations per share; free cash flow; free cash flow per share; days sales outstanding ("DSO") and net debt to adjusted EBITDA. These measures are defined at the end of this MD&A, in the "Glossary" section. Reconciliations to IFRS measures can be found in section 7 of this MD&A.

Management of the Corporation ("Management") believes that these non-IFRS measures provide useful information to investors regarding the Corporation's financial condition and results of operations as they provide key metrics of its performance. These non-IFRS measures are not recognized under IFRS, do not have any standardized meaning prescribed under IFRS and may differ from similar computations as reported by other issuers, and accordingly may not be comparable. These measures should not be viewed as a substitute for the related financial information prepared in accordance with IFRS.

3 CORPORATE OVERVIEW

As one of the world's leading professional services firms, WSP provides leading engineering and design services to clients in the Transportation & Infrastructure, Property & Buildings, Environment, Power & Energy, Resources and Industry sectors, as well as offering strategic advisory services. Our experts include engineers, advisors, technicians, scientists, architects, planners, surveyors and environmental specialists, in addition to other design, program and construction management professionals. With approximately 48,000 talented people globally, we are uniquely positioned to deliver successful and sustainable projects, wherever our clients need us.

The Corporation's business model is centered on maintaining a leadership position in each of its end markets and the regions in which it operates by establishing a strong commitment to and recognizing the needs of surrounding communities, as well as local and national clients. We offer a variety of professional services throughout all project execution phases, from the initial development and planning studies through to the project and program management, design, construction management, commissioning and maintenance phases.

Under this business model, the Corporation benefits from regional offices with a full service offering. Functionally, sector leaders work together with regional leaders to develop and coordinate markets served, combining local knowledge and relationships with nationally recognized expertise. The Corporation has developed a multidisciplinary team approach whereby employees work closely with clients to develop optimized solutions on time and on budget.

We believe we have the capability and the depth of expertise to transform clients' visions into realities that are sustainable in every sense - commercially, technically, socially and environmentally.

The sectors in which the Corporation operates are described below.

- **Transportation & Infrastructure:** The Corporation's experts advise, plan, design and manage projects for rail transit, aviation, highway, bridges, tunnels, water, maritime and urban infrastructure. Public and private sector clients, construction contractors and other partners seek our expertise around the world to create mid and long-term transport and infrastructure strategies, and to provide guidance and support throughout the life-cycle of a wide range of projects. As we offer comprehensive, innovative and value-oriented solutions to assist our clients in achieving their desired outcomes, we take great pride in solving our clients' toughest problems. We offer a full range of services locally with extensive global experience to successfully deliver projects, helping clients overcome challenges and respond to emerging areas in new mobility, resiliency and funding the infrastructure gap.

- **Property & Buildings:** The Corporation is a world-leading provider of technical and management consultancy services with a track record in delivering buildings of the highest quality. We are involved in every stage of a project's life-cycle, from the earliest planning stages through design and construction, to asset management and refurbishment. Our technical experts offer truly multidisciplinary services including structural and mechanical, electrical, and plumbing (MEP) engineering, supplemented by a wide range of specialist services such as fire engineering, lighting design, vertical transportation, acoustics, smart buildings, audiovisual systems, information technology, facade engineering, security consulting and green building design.

- **Environment:** The Corporation has specialists working with and advising businesses and governments in all key areas of environmental consultancy. These experts deliver a broad range of services covering air, land, water and health. They work with and advise clients on a range of environmental matters ranging from due diligence, permitting authorizations and regulatory compliance to handling and disposal of hazardous materials, land remediation, environmental and social impact assessments, and employee health and safety. Our reputation has been built on helping clients worldwide mitigate risk, manage and reduce impacts, and maximize opportunities related to sustainability, climate change, energy use and the environment.

- **Power & Energy:** The Corporation offers its energy sector clients complete solutions for all aspects of their projects, whether they are large-scale power plants, smaller on-site facilities or retrofitting and efficiency programs, with an aim to reduce energy demand and deliver schemes to create a sustainable future. Our experts can advise and collaborate on every stage of a project, from pre-feasibility to design, operation, maintenance and decommissioning. They offer long-term operational management support services from the first feasibility studies, providing advice on aspects ranging from technical, financial and environmental issues to engineering design and energy simulations during the construction phase.

- **Resources:** The Corporation has the scale and expertise to support all our worldwide resource clients. In mining, our experts work with clients throughout the project life-cycle - from conceptual and feasibility studies to addressing social acceptance issues, and from detailed engineering and complete engineering, procurement, and construction management ("EPCM") to site closure and rehabilitation. Our expertise includes resource and reserve modeling, metallurgical testing, geotechnical and mine design and detailed engineering for mining infrastructure. In oil and gas, we help clients with some of their most demanding technical and logistical challenges. Our experts advise on how to plan, design and support the development of pipelines and gas networks, as well as how to ensure the integrity of critical assets and obtain permits and consent.

- **Industry:** The Corporation works in almost every industrial sector including food and beverages, pharmaceutical and biotechnology, automotive and chemicals. Our experts offer a variety of skills with a deep understanding of industrial and energy processes, and the engineering expertise required to plan, design, build and operate a new plant, or to automate equipment in an existing industrial facility. A full range of consulting and engineering services is offered within multiple disciplines that span all stages of a project - from strategic studies, concept design and productivity analysis to serving as an owner's engineer at each stage of an EPCM contract.

In addition to these sectors, the Corporation offers the highly specialized strategic advisory services below:

- **Planning and Advisory Services**: The Corporation helps clients make informed decisions during various stages of the project life-cycle, taking into consideration changing economic, environmental and social factors, evolving government priorities and emerging technologies. To stay competitive and effectively manage and develop their infrastructure and property assets, public and private sector organizations are looking to gain access to more refined data and "lessons learned" from experts who help drive client success around the globe. The Corporation not only provides local expertise, but also offers international benchmarks and best practice solutions based on our extensive experience. Our team blends the technical skills of our global network with results-oriented business acumen to provide effective and sustainable strategies that also contribute to the advancement of the communities where we are present.

- **Management Services:** The Corporation's professionals help clients assess and define their goals, as well as the technical, environmental and commercial realities and challenges they face. Coupled with the Corporation's integrated service offerings, this helps us to build strategic relationships with our clients. We support them throughout the planning, implementation and commissioning stages of their projects, including during times of emergency. With a focus on cost, schedule, quality and safety, and using best-in-class management processes and techniques, we can mobilize the right team from anywhere in the organization across the world to execute projects of varying sizes and complexity.

- **Technology and Sustainability Services:** The Corporation's professionals work throughout the life-cycle of a project to offer innovative solutions with a strong focus on change management and executive engagement. As significant technological advancement offers the opportunity to improve the way we live, commute, and travel, it also sheds a new light on how property and infrastructure owners need to adapt and embrace the changes. Our Technology Services experts integrate the use of digital solutions and software to enhance engineering, infrastructure, buildings and environmental projects. In addition, as we face significant challenges related to population growth, resource demands and constraints, and extreme weather events that impact the resiliency and sustainability of our communities, the Corporation remains committed to integrating the principles of sustainability into our work in planning, designing and managing both property and infrastructure.

4 Q1 2019 FINANCIAL RESULTS HIGHLIGHTS

Solid start to the financial year with key financial metrics in line with Management's expectations; full year 2019 financial outlook reiterated. The Corporation adopted *IFRS 16 - Leases* on January 1, 2019, using the modified retrospective method, for which no restatement of prior year financial statement presentation was required.

- Revenues and net revenues of $2,173.6 million and $1,663.4 million, up 13.8% and 13.2%, respectively, compared to Q1 2018.

- Consolidated organic growth in net revenues stood at 3.2%, in line with Management's expectations.

- Adjusted EBITDA of $216.9 million, up $83.4 million, or 62.5%, compared to Q1 2018. The significant increase in adjusted EBITDA is due, in large part, to the adoption of *IFRS 16 - Leases*, effective January 1, 2019. Excluding the impact of the adoption of *IFRS 16- Leases*, adjusted EBITDA would have stood at $153.1 million.

- Adjusted EBITDA margin at 13.0%, compared to 9.1% in Q1 2018. The significant increase in adjusted EBITDA margin is due, in large part, to the adoption of *IFRS 16 - Leases*, effective January 1, 2019. Excluding the impact of the adoption of *IFRS 16- Leases*, adjusted EBITDA margin would have stood at 9.2%.

- Adjusted net earnings of $70.2 million, or $0.67 per share, up $15.0 million and 27.2%, respectively, compared to Q1 2018. Excluding the impact of the adoption of *IFRS 16- Leases*, adjusted net earnings would have stood at $75.5 million or $0.72 per share.

- Net earnings attributable to shareholders of $63.6 million, or $0.61 per share, on a diluted basis, up 28.0% and 27.1%, respectively, compared to Q1 2018. Excluding the impact of the adoption of *IFRS 16-Leases*, net earnings attributable to shareholders would have stood at $68.9 million or $0.66 per share.

- Backlog at $7,873.1 million, representing 10.7 months of revenues, up $194.4 million, or 2.5% when compared to Q4 2018 and up $1,154.3 million, or 17.2% when compared to Q1 2018. Backlog organic growth stood at 1.4% compared to Q4 2018.

- DSO stood at 78 days, stable when compared to Q1 2018 and 2 days higher when compared to Q4 2018, mainly due to seasonality.

- Trailing twelve-month free cash flow of $453.8 million, representing 173.2% of net earnings attributable to shareholders.

- Incorporating a full twelve-month adjusted EBITDA for all acquisitions, net debt to adjusted EBITDA ratio stood at 1.7x, in line with our target range. Excluding the impact of the adoption of *IFRS 16- Leases*, incorporating a full twelve-month adjusted EBITDA for all acquisitions, net debt to adjusted EBITDA ratio would have stood at 1.9.

- Quarterly dividend declared of $0.375 per share, with a 50.0% Dividend Reinvestment Plan ("DRIP") participation.

5 HIGHLIGHTS

The following are highlights from January 1, 2019 to May 13, 2019, the date of publication of the Q1 2019 MDA.

- The Corporation, in line with acquisition strategy, made four tuck-in acquisitions, three of which were located in Europe. The fourth, and largest, was that of Leach Wallace Associates, Inc. ("Leach Wallace"), in the US.

  Leach Wallace is a 125-person provider of mechanical, electrical and plumbing engineering design services and related services to clients in the healthcare sector. This acquisition, which is in alignment with WSP's 2019-2021 Strategic Plan, creates one of the largest pure-play healthcare engineering practices in North America.

6 Q1 2019 REVIEW

The Corporation generated revenues and net revenues of $2,173.6 million and $1,663.4 million in Q1 2019, up 13.8% and 13.2%, respectively compared to Q1 2018. Consolidated organic growth in net revenues stood at 3.2%, stemming mainly from the Corporation's EMEIA and APAC reportable segments.

Adjusted EBITDA margin stood at 13.0% for the quarter, compared to 9.1% for the same period in 2018. The significant increase in this metric was mainly due to adoption of *IFRS 16 - Leases*, effective January 1, 2019, requiring lease related costs incurred by the Corporation to be recorded as depreciation of right-to-use assets rather than operating expenses as in 2018 and prior years. Excluding the impact of the adoption of *IFRS 16 - Leases,* adjusted EBITDA margin for the quarter would have stood at 9.2%, comparable to Q1 2018 and in line with Management's expectations.

Turning to cash flows, DSO of 78 days was in line with Q1 seasonality and our trailing-twelve-month free cash flow stood at $453.8 million or 173.2% of net earnings.

OPERATIONAL REVIEW

Canada

Our Canadian operations posted organic growth in net revenues of 0.7%, slightly below Management's expectations for the quarter. Provincial elections in Ontario and Alberta impacted net revenues as project starts were delayed, resulting also in lower than anticipated utilization rates. Adjusted EBITDA margin was in line with expectations as proactive cost containment efforts alleviated the negative impact from lower utilization rates.

Americas

The Corporation’s Americas reportable segment posted flat organic growth in net revenues in Q1 2019. Excluding the non-recurring net revenues generated in Q1 2018 from the Federal Emergency Management Agency ("FEMA"), the Americas reportable segment would have posted organic growth of 5.3% for the quarter. Backlog for the reportable segment grew 4.0% organically when compared to Q4 2018, attributable mainly to our US operations.

Excluding the positive impact of *IFRS 16 - Leases*, adjusted EBITDA margin before Global Corporate costs for the Americas reportable segment was lower compared to Q1 2018. This was mainly due to the blending of Louis Berger's operations, acquired in Q4 2018, which have a higher structural cost base than WSP's legacy operations.

The integration and restructuring of Louis Berger's American operations, acquired in Q4 2018, is proceeding according plan.

EMEIA

Our EMEIA reportable segment delivered organic growth in net revenues of 5.7%, higher than Management's expectations for the quarter. The UK's transportation and infrastructure market sector had a very strong start to the year, offsetting weakness in the private sector due to lingering Brexit concerns. Our Nordic operations delivered results in line with expectations, as they continue to focus on operating margin improvement.

The integration and restructuring of Louis Berger's international operations, acquired in Q4 2018, most of which fall within WSP's EMEIA reportable segment, is proceeding according plan.

APAC

The APAC reportable segment posted organic growth in net revenues of 6.9% for the quarter slightly higher than Management's expectations. Our Australian operations continued to deliver very strong results with significant organic growth in net revenues spanning across all market sectors. New Zealand and Asia posted results as anticipated.

With results in line with overall expectations to date, we remain confident in our ability to deliver results on plan and therefore reiterate our full year 2019 outlook, updated for *IFRS 16 - Leases.*

7 FINANCIAL REVIEW

7.1 RESULTS OF OPERATIONS

	Q1	
	2019	**2018**
(in millions of dollars, except number of shares and per share data)	For the period from January 1 to March 30	For the period from January 1 to March 31
Revenues	$2,173.6	$1,910.7
Less: Subconsultants and direct costs	$510.2	$441.0
Net revenues*	**$1,663.4**	**$1,469.7**
Personnel costs	$1,290.1	$1,136.9
Other operational costs(1)	$160.5	$199.9
Share of earnings of associates	$(4.1)	$(0.6)
Adjusted EBITDA*	**$216.9**	**$133.5**
Acquisition, integration and restructuring costs*	$9.0	$7.2
EBITDA*	**$207.9**	**$126.3**
Amortization of intangible assets	$24.4	$25.2
Depreciation of property and equipment	$24.0	$21.7
Right-to-use asset depreciation	$59.1	$—
Financial expenses	$13.7	$13.6
Share of depreciation of associates	$0.5	$0.3
Earnings before income taxes	**$86.2**	**$65.5**
Income-tax expense	$23.2	$15.7
Share of tax of associates	$1.0	$0.1
Net earnings	**$62.0**	**$49.7**
Attributable to:		
- Shareholders	$63.6	$49.7
- Non-controlling interests	$(1.6)	$—
Basic net earnings per share	**$0.61**	**$0.48**
Diluted net earnings per share	**$0.61**	**$0.48**
Basic weighted average number of shares	104,768,837	103,505,642
Diluted weighted average number of shares	105,031,582	103,701,337

* *Non-IFRS measures are described in the 'Glossary' section*

(1) Other operational costs include operational foreign exchange gains/losses and interest income

In sections 7.2 through 7.5, we review the year-over-year changes to operating results between 2019 and 2018, describing the factors affecting net revenues, backlog, expenses, adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA before Global Corporate costs and adjusted EBITDA margin before Global Corporate costs. Financial expenses, income taxes, net earnings, adjusted net earnings, adjusted net earnings excluding amortization of intangible assets related to acquisitions, funds from operations and free cash flow are also reviewed, on a consolidated level, in sections 7.6 through 7.10.

7.2 NET REVENUES

The Corporation's financial performance and results should be measured and analyzed in relation to fee-based revenues, or net revenues, since direct recoverable costs can vary significantly from contract to contract and are not indicative of the performance of the professional consulting services business.

The Corporation's reportable segments are: Canada, Americas (US and Latin America), EMEIA (Europe, Middle East, India and Africa) and APAC (Asia Pacific, comprising Asia, Australia and New Zealand). The following table provides a summary of the year-over-year changes in net revenues and number of employees, both by reportable segment and in total.

	Q1				
(in millions of dollars, except percentages and number of employees)	**Canada**	**Americas**	**EMEIA**	**APAC**	**Total**
Net revenues* 2019	$244.5	$539.0	$612.9	$267.0	$1,663.4
Net revenues* 2018	$242.8	$430.3	$550.0	$246.6	$1,469.7
Net change %	0.7%	25.3 %	11.4 %	8.3 %	13.2 %
Organic Growth**	0.7%	(0.5)%	5.7 %	6.9 %	3.2 %
Acquisition Growth**	—%	23.4 %	9.6 %	3.1 %	10.9 %
Foreign Currency Impact***	—%	2.4 %	(3.9)%	(1.7)%	(0.9)%
Net change %	0.7%	25.3 %	11.4 %	8.3 %	13.2 %
Approximate number of employees - 2019	8,000	12,600	18,800	8,500	47,900
Approximate number of employees - 2018	8,000	10,000	16,900	8,100	43,000
Net change %	—%	26.0 %	11.2 %	4.9 %	11.4 %

* Non-IFRS measures are described in the 'Glossary' section
** Organic growth and acquisition growth are calculated based on local currencies
*** Foreign currency impact represents the foreign exchange component to convert total net revenues in local currencies into Canadian equivalent amount, net of organic growth and acquisition growth.

The Corporation ended the first quarter of 2019 with net revenues of $1,663.4 million, an increase of $193.7 million, or 13.2% compared to Q1 2018.

7.2.1 CANADA

Net revenues from our Canadian operations were $244.5 million in Q1 2019, an organic growth increase of $1.7 million, or 0.7% compared to the same period in 2018. The flat organic growth in net revenues experienced by the reportable segment stemmed mainly from lower utilization rates experienced as a result of timing in project starts.

The transportation & infrastructure and property & buildings market sectors accounted for approximately 64% of net revenues.

7.2.2 AMERICAS

Net revenues from our Americas reportable segment were $539.0 million in Q1 2019, an increase of $108.7 million, or 25.3% compared to the same period in 2018. Acquisition growth and organic growth in net revenues, on a constant currency basis, stood at 23.4% and negative 0.5%. The acquisition growth in net revenues stemmed mainly from the Q4 2018 acquisition of Berger Group Holdings, Inc. ("Louis Berger"). Excluding the non-recurring net revenues generated in Q1 2018 from the FEMA, the Americas reportable segment would have posted organic growth of 5.3% for the quarter. Foreign exchange had a positive impact due mainly to the depreciation of the Canadian dollar against the US dollar.

The transportation & infrastructure and property & buildings market sectors accounted for approximately 81% of net revenues.

7.2.3 EMEIA

Net revenues from our EMEIA reportable segment were $612.9 million in Q1 2019, an increase of $62.9 million, or 11.4% compared to Q1 2018. Organic growth and acquisition growth in net revenues, on a constant currency basis, stood at 5.7% and 9.6%, respectively. Organic growth in net revenues was slightly above Management's expectations and stemmed mainly from our UK and Nordic operations. Acquisition growth in net revenues was mainly related to our Q4 2018 acquisition of Louis Berger.

The transportation & infrastructure and property & buildings market sectors accounted for approximately 83% of net revenues.

7.2.4 APAC

Net revenues from our APAC reportable segment were $267.0 million in Q1 2019, an increase of $20.4 million, or 8.3% when compared to the same period in 2018. Organic growth and acquisition growth in net revenues, both on a constant currency basis, stood at 6.9% and 3.1%, respectively. Organic growth in net revenues was slightly higher than Management's expectations, with the bulk of the growth derived from our Australian operations. Acquisition growth stemmed mainly from the Corporation's acquisition of Irwinconsult ("Irwinconsult") in Q4 2018.

The transportation & infrastructure and property & buildings market sectors accounted for approximately 85% of net revenues.

7.3 BACKLOG

	Q1 2019				
(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	$955.2	$3,675.2	$2,081.7	$1,161.0	$7,873.1

** Non-IFRS measures are described in the 'Glossary' section.*

	Q4 2018				
(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	$958.2	$3,452.1	$2,165.5	$1,102.9	$7,678.7

** Non-IFRS measures are described in the 'Glossary' section*

	Q1 2018				
(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	$1,028.1	$2,350.2	$2,126.5	$1,214.0	$6,718.8

** Non-IFRS measures are described in the 'Glossary' section*

As at March 30, 2019, backlog stood at $7,873.1 million, representing 10.7 months of revenues, an increase of $194.4 million or 2.5% compared to Q4 2018, and an increase of $1,154.3 million, or 17.2% when compared to Q1 2018. The significant increase in backlog compared to Q1 2018 was mainly due to the acquisition of Louis Berger in December 2018. On a constant currency basis, the Corporation posted 1.4% backlog organic growth over Q4 2018 and 0.8% compared to Q1 2018. The size and timing of contract awards can and do have a significant impact on this metric.

7.4 EXPENSES

The following table summarizes operating results expressed as a percentage of net revenues.

	Q1	
	2019	2018
(percentage of net revenues)	For the period from January 1 to March 30	For the period from January 1 to March 31
Net revenues*	100.0 %	100.0 %
Personnel costs	77.6 %	77.4 %
Other operational costs(1)	9.6 %	13.5 %
Share of earnings in associates	(0.2)%	— %
Adjusted EBITDA*	13.0 %	9.1 %
Acquisition, integration and restructuring costs*	0.5 %	0.5 %
Amortization of intangible assets	1.5 %	1.7 %
Depreciation of property and equipment	1.4 %	1.5 %
Depreciation of right-to-use assets	3.6 %	— %
Financial expenses	0.8 %	0.9 %
Share of depreciation of associates	— %	— %
Income tax expenses	1.4 %	1.1 %
Net earnings	3.8 %	3.4 %

** Non-IFRS measures are described in the 'Glossary' section*

(1) Other operational costs include operation exchange loss or gain and interest income

Expenses consist of two major components: personnel costs and other operational costs.

Personnel costs include payroll costs for all employees related to the delivery of consulting services and projects, as well as administrative and corporate staff.

Other operational costs, in 2019, include fixed costs such as, but not limited to, non-recoverable client services costs, technology costs, professional insurance costs, office space related costs (mainly utilities and maintenance costs), operational exchange gain or loss on foreign currencies and interest income. Other operational costs, in 2018, included fixed costs such as, but not limited to, non-recoverable client services costs, technology costs, professional insurance costs, office lease costs and other related costs (mainly utilities and maintenance), operational exchange gain or loss on foreign currencies and interest income. The exclusion of most office lease costs in 2019 from other operational costs, was due to the adoption of *IFRS 16-Leases,* effective January 1, 2019 which required most leasing costs to be reported as deprecation of right-to-use assets.

Personnel costs for the quarter, as a percentage of net revenues, were slightly higher compared to the same period in 2018, mainly due to lower utilization rates derived by our Canada reportable segment.

Other operational costs for the quarter, as a percentage of net revenues, decreased significantly, mainly due to the adoption of *IFRS 16 - Leases*, effective January 1, 2019, requiring most lease related costs incurred by the Corporation to be recorded as depreciation of right-to-use assets.

Adjusted EBITDA margin stood at 13.0% for the quarter, compared to 9.1% for the same period in 2018, mainly due to adoption of *IFRS 16 - Leases*, effective January 1, 2019, requiring most lease related costs incurred by the Corporation to be recorded as depreciation of right-to-use assets.

Excluding the impact of the adoption of *IFRS 16 - Leases,* adjusted EBITDA margin for the quarter would have stood at 9.2%, comparable to Q1 2018 and in line with Management's expectations.

Acquisition, integration and restructuring costs are items of financial performance which the Corporation believes should be excluded in understanding its underlying operational financial performance, and are therefore isolated in its consolidated statement of earnings.

In Q1 2019, the Corporation incurred acquisition, integration and restructuring costs of $9.0 million, mainly related to the acquisition of Louis Berger in Q4 2018.

Depreciation of right-to-use assets pertain to leasing costs incurred by the Corporation for office space and equipment leased from third parties. Due to the adoption of *IFRS 16 - Leases*, effective January 1, 2019, these costs are required to be disclosed separately as a depreciation expense.

Finally, the Corporation also incurs expenses such as amortization of intangible assets and depreciation of property and equipment. For the quarter these expenses remained stable when compared to the same period in 2018.

7.5 ADJUSTED EBITDA BY REPORTABLE SEGMENT

	Q1 2019				
(in millions of dollars, except percentages)	**Canada**	**Americas**	**EMEIA**	**APAC**	**Total**
Net Revenues*	$244.5	$539.0	$612.9	$267.0	$1,663.4
Adjusted EBITDA*					$216.9
Global Corporate costs					$21.0
Adjusted EBITDA before Global Corporate costs*	$38.0	$78.6	$83.2	$38.1	$237.9
Adjusted EBITDA Margin before Global Corporate costs*	15.5%	14.6%	13.6%	14.3%	14.3%

**Non-IFRS measures are described in the 'Glossary' section*

	Q1 2018				
(in millions of dollars, except percentages)	**Canada**	**Americas**	**EMEIA**	**APAC**	**Total**
Net Revenues*	$242.8	$430.3	$550.0	$246.6	$1,469.7
Adjusted EBITDA*					$133.5
Global Corporate costs					$19.9
Adjusted EBITDA before Global Corporate costs*	$23.6	$49.2	$57.4	$23.2	$153.4
Adjusted EBITDA Margin before Global Corporate costs*	9.7%	11.4%	10.4%	9.4%	10.4%

**Non-IFRS measures are described in the 'Glossary' section*

Total adjusted EBITDA and consolidated adjusted EBITDA margin, both before Global Corporate costs, stood at $237.9 million and 14.3%, respectively, for the quarter, compared to $153.4 million and 10.4% for the same period in 2018.

The significant increases in all adjusted EBITDA metrics, consolidated and by reportable segments, were mainly due to the adoption of *IFRS 16 - Leases*, effective January 1, 2019.

Excluding the impact of *IFRS 16 - Leases*, adjusted EBITDA margin before Global Corporate costs of all reportable segments increased, with the exception of the Americas.

The blending of Louis Berger's US operations, acquired in Q4 2018, which have a higher structural cost base than WSP's legacy US operations, negatively impacted the reportable segment's adjusted EBITDA before Global Corporate costs metric.

Global Corporate costs, for the quarter, stood at $21.0 million, slightly lower than anticipated, however in line with Management's $20.0 to $25.0 million quarterly range outlook.

Numerous factors such as seasonality, project mix, pricing, competitive environments, project execution, cost increases, foreign exchange and employee productivity may have an impact on adjusted EBITDA margin before Global Corporate costs.

7.6 FINANCIAL EXPENSES

The Corporation's financial expenses relate mainly to interest expenses incurred on credit facilities, net finance expenses on pension obligations, exchange gains or losses pertaining to assets and liabilities in foreign currencies, gains or losses on other assets and unrealized foreign exchange gains or losses pertaining to financial instruments. Effective January 1, 2019, as a result of the adoption of *IFRS 16 - Leases*, net financial expenses also include interest expense on lease liability pertaining to right-to-use assets. The Corporation uses its credit facilities to manage its working capital, capital expenditures and to finance business acquisitions.

In Q1 2019, financial expenses, as a percentage of net revenues, remained stable when compared to the same period in 2018, mainly due to unrealized gains incurred by the Corporation's US based employees' deferred compensation plan's financial assets (other assets) offsetting the interest expense recorded on lease liability pertaining to right-to-use assets.

7.7 INCOME TAXES

In Q1 2019, an income tax expense of $23.2 million was recorded on earnings before income taxes of $85.2 million (net of income taxes attributable to minority interest of $1.0 million), representing an effective income tax rate of 27.2%, in line with Management's expectations.

7.8 NET EARNINGS AND NET EARNINGS PER SHARE

In Q1 2019, the Corporation's net earnings attributable to shareholders were $63.6 million, or $0.61 per share on a diluted basis, compared to $49.7 million, or $0.48 per share on a diluted basis for the same period in 2018. The increase in these metrics was mainly due to growth in net revenues.

Net earnings per share is a commonly used metric to measure a corporation's performance. However, Management believes that in the context of highly acquisitive companies or consolidating industries such as in engineering and construction, adjusted net earnings per share, adjusted net earnings excluding amortization of intangible assets related to acquisitions per share (due to the application of various accounting policies in relation to the allocation of purchase price to goodwill and intangible assets), funds from operations per share and free cash flow per share, are measures that should be taken into consideration to assess performance against its peer group. These measures are reviewed in sections 7.9 and 7.10.

7.9 RECONCILIATION OF NET EARNINGS, ADJUSTED NET EARNINGS AND ADJUSTED NET EARNINGS EXCLUDING AMORTIZATION OF INTANGIBLE ASSETS RELATED TO ACQUISITIONS

	Q1	
	2019	2018
(In millions of dollars, except number of shares and per share data)	For the period from January 1 to March 30	For the period from January 1 to March 31
Net earnings attributable to shareholders	**$63.6**	**$49.7**
Acquisition, integration and restructuring costs*	$9.0	$7.2
Income taxes related to acquisition and integration costs	$(2.4)	$(1.7)
Adjusted net earnings*	**$70.2**	**$55.2**
Adjusted net earnings per share*	**$0.67**	**$0.53**
Amortization of intangible assets related to acquisitions	$16.0	$17.0
Income taxes related to amortization of intangible assets related to acquisitions	$(4.4)	$(4.1)
Adjusted net earnings excluding amortization of intangible assets related to acquisitions *	**$81.8**	**$68.1**
Adjusted net earnings excluding amortization of intangible assets related to acquisitions per share*	**$0.78**	**$0.66**
Basic weighted average number of shares	104,768,837	103,505,642

* *Non-IFRS measures are described in the 'Glossary' section*

Adjusted net earnings stood at $70.2 million, or $0.67 per share in Q1 2019, compared to $55.2 million, or $0.53 per share in Q1 2018. The increase in these metrics was mainly due to growth in net revenues.

Adjusted net earnings excluding amortization of intangible assets related to acquisitions stood at $81.8 million, or $0.78 per share in Q1 2019 compared to $68.1 million, or $0.66 per share, respectively, for the comparable period in 2018. The increase in these metrics was mainly due to growth in net revenues.

7.10 FUNDS FROM OPERATIONS AND FREE CASH FLOW

(in millions of dollars, except per share data and number of shares)	Q1 2019 For the period from January 1 to March 30	Q1 2018 For the period from January 1 to March 31
Cash flows from operating activities	$27.7	$60.5
Excluding:		
Change in non-cash working capital items	(142.5)	$(54.0)
Funds from operations*	**$170.2**	**$114.5**
Funds from operations per share*	**$1.62**	**$1.11**
Including:		
Change in non-cash working capital items	(142.5)	$(54.0)
Less:		
Lease Payments	$65.4	$—
Net capital expenditures**	$20.5	$25.1
Free cash flow*	**($58.2)**	**$35.4**
Free cash flow per share*	**($0.56)**	**$0.34**
Basic weighted average number of shares	104,768,837	103,505,642

** Non-IFRS measures are described in the "Glossary" section*

*** Capital expenditures pertaining to property, plant and equipment and intangible assets, net of proceeds from disposal*

7.10.1 FUNDS FROM OPERATIONS

Funds from operations is a measure used by the Corporation to provide Management and investors with a proxy of cash generated from operating activities before change in non-cash working capital items.

In Q1 2019, the Corporation generated funds from operations of $170.2 million, or $1.62 per share, compared to $114.5 million or $1.11 per share in Q1 2018. The increase in funds from operations was mainly due to higher adjusted EBITDA achieved in Q1 2019 compared to Q1 2018.

7.10.2 FREE CASH FLOW

Free cash flow is an indication of the Corporation's continuing capacity to generate discretionary cash from operations and other activities. It represents cash flows for the period available for the suppliers of capital, which are the Corporation's creditors and shareholders.

For the first quarter of 2019, the Corporation's free cash flow was negative $58.2 million, or $0.56 per share compared to $35.4 million, or $0.34 per share in Q1 2018. The decrease in free cash flow was mainly due to an unfavourable variation in changes in non-cash working capital items.

The free cash flow metric should be reviewed year-over-year as opposed to quarter-to-quarter as the timing of investments in capital expenditure initiatives and management of working capital can have an impact in the shorter term. As such, free cash flow, when viewed on a trailing twelve-month basis stood at $453.8 million, or 173.2% of net earnings attributable to shareholders.

8 LIQUIDITY

(in millions of dollars)	Q1 2019 For the period from January 1 to March 30	Q1 2018 For the period from January 1 to March 31
Cash flows generated from (used in) operating activities	$27.7	$60.5
Cash flows generated from (used in) financing activities	$(32.7)	$11.4
Cash flows from (used in) investing activities	$(25.2)	$(66.2)
Effect of exchange rate change on cash	$(6.4)	$7.5
Net change in cash	**$(36.6)**	**$13.2**
Dividends paid	**$19.6**	**$19.5**
Net capital expenditures	**$20.5**	**$25.1**

8.1 OPERATING ACTIVITIES

Cash generated from operating activities in Q1 2019 stood at $27.7 million, compared to $60.5 million in Q1 2018. The decrease in cash generated from operating activities was mainly due to an unfavourable variation in changes in non-cash working capital items.

8.2 FINANCING ACTIVITIES

For the first quarter of 2019, cash used for financing activities was $32.7 million, compared to cash generated of $11.4 million in Q1 2018. During the quarter, the Corporation issued shares for $0.1 million, drew $64.0 million from its credit facility, repaid $77.2 million in lease and miscellaneous liabilities, including interest and paid dividends to shareholders of $19.6 million. In Q1 2018, the Corporation issued shares for $0.7 million, drew $45.5 million from to its credit facility, repaid $15.3 million in miscellaneous liabilities, including interest and paid dividends to shareholders of $19.5 million.

8.3 INVESTING ACTIVITIES

For the first quarter of 2019, cash used in investing activities was $25.2 million, compared to $66.2 million in Q1 2018. The Corporation disbursed cash pertaining to past and present year/s business acquisitions of $4.7 million and acquired $27.0 million in equipment and intangible assets in Q1 2019, compared to $41.3 million and $25.8 million, respectively, for the same period in 2018.

8.4 NET DEBT

(in millions of dollars)	2019 As at March 30	2018 As at December 31
Financial liabilities [(1)]	$1,552.9	$1,524.7
Less: Cash	$(219.7)	$(254.7)
Net debt*	$1,333.2	$1,270.0
Trailing twelve months adjusted EBITDA*	$743.4	$660.0

* *Non-IFRS measures are described in the 'Glossary' section*

(1) Financial liabilities consist of long-term debt and other financial liabilities, including current portions and excluding lease liability.

As at March 30, 2019, the Corporation's statement of financial position remained strong and showed a good mix of debt and equity. The Corporation had a net debt position of $1,333.2 million and a trailing twelve-month net debt to adjusted EBITDA ratio of 1.8x. Incorporating a full twelve-month adjusted EBITDA for all acquisitions, the ratio stood at 1.7x.

8.5 DIVIDENDS

On March 13, 2019, the Corporation declared a quarterly dividend of $0.375 per common share to holders of common shares on record as of March 31, 2019, which was paid on April 15, 2019. As at March 30, 2019, 104,768,837 shares were issued and outstanding, compared to 103,505,642 as at March 31, 2018. During the first quarter of 2019, part of the fourth quarter of 2018 dividend paid was reinvested into 324,812 common shares under the DRIP. The aggregate dividends declared in the first quarter of 2019 were $39.3 million, compared to $39.2 million for the fourth quarter of 2018. Holders of 52,353,680 shares, representing 50.0% of all outstanding shares as at March 30, 2019, elected to participate in the DRIP. As a result, from the total dividends paid on April 15, 2019, $19.6 million was reinvested in shares of the Corporation. The net cash outflow, on April 15, 2019, was $19.7 million for the first quarter dividend payment.

The board of directors of the Corporation (the "Board") has determined that the current level of quarterly dividend is appropriate based on the Corporation's current earnings and operational financial requirements. The dividend is currently expected to remain at this level subject to the Board's ongoing assessment of the Corporation's future requirements, financial performance, liquidity, and other factors that the Board may deem relevant. The actual amount of any dividend, as well as each declaration date, record date and payment date is subject to the discretion of the Board. Some information in this section constitutes forward-looking information. Please refer to the "Forward-Looking Statements" section of this MD&A.

8.6 STOCK OPTIONS

As at May 13, 2019, 844,667 stock options were outstanding at exercise prices ranging from $35.12 to $59.75.

8.7 CAPITAL RESOURCES

(in millions of dollars)	2019 As at March 30	2018 As at December 31
Cash	$219.7	$254.7
Available syndicated credit facility	$792.5	$918.0
Other operating credit facilities	$122.2	$101.9
Available short-term capital resources	**$1,134.4**	**$1,274.6**

The Corporation believes that its cash flows from operating activities, combined with its available short-term capital resources, will enable it to support its growth strategy, its working capital requirements and planned capital expenditures and provide its shareholders with a return on their investment.

8.8 CREDIT FACILITY

The Corporation has in place, as at March 30, 2019, a credit facility with a syndication of financial institutions providing for a maximum amount of US$1,800.0 million. The credit facility is available for general corporate purposes and for financing future business acquisitions. Under this credit facility, the Corporation is required, among other conditions, to respect certain covenants on a consolidated basis. The main covenants are in regard to its consolidated net debt to consolidated adjusted EBITDA and the fixed charge coverage ratios. Management reviews compliance with these covenants on a quarterly basis in conjunction with filing requirements under its credit facility. All covenants were met as at March 30, 2019.

9 EIGHT QUARTER SUMMARY

		2019**			2018			2017	
	Total	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
(in millions of dollars, except per share data)	Trailing twelve months	For the period from January 1 to March 30 2019	For the period from September 30 to December 31	For the period from July 1 to September 29	For the period from April 1 to June 30	For the period from January 1 to March 31	For the period from October 1 to December 31	For the period from July 2 to September 30	For the period from April 2 to July 1
Results of operations									
Revenues	$8,171.0	$2,173.6	$2,043.9	$1,927.6	$2,025.9	$1,910.7	$1,954.3	$1,636.8	$1,717.2
Net revenues*	$6,214.3	$1,663.4	$1,541.0	$1,468.8	$1,541.1	$1,469.7	$1,478.6	$1,286.2	$1,315.9
Adjusted EBITDA*	$743.4	$216.9	$169.5	$187.5	$169.5	$133.5	$140.0	$160.4	$140.3
Net earnings attributable to shareholders	$262.0	$63.6	$43.3	$87.7	$67.4	$49.7	$30.3	$72.6	$62.8
Basic net earnings (loss) per share		$0.61	$0.41	$0.84	$0.65	$0.48	$0.29	$0.71	$0.61
Diluted net earnings per share		$0.61	$0.41	$0.84	$0.65	$0.48	$0.29	$0.71	$0.61
Backlog*		$7,873.1	$7,678.7	$6,509.1	$6,706.9	$6,718.8	$6,361.6	$5,963.9	$5,864.6
Dividends									
Dividends declared	$156.5	$39.3	$39.2	$39.1	$38.9	$38.8	$38.7	$38.5	$38.4
Dividends declared, per share	$1.50	$0.375	$0.375	$0.375	$0.375	$0.375	$0.375	$0.375	$0.375

** Non-IFRS measures are described in the "Glossary" section*

***: Adoption of IFRS 16 - Leases, effective January 1, 2019*

10 GOVERNANCE

10.1 INTERNAL CONTROL OVER FINANCIAL REPORTING

The Corporation’s Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) are responsible for establishing and maintaining disclosure controls and procedures (“DC&P”) and have caused them to be designed under their supervision to provide reasonable assurance that:

- Material information related to the Corporation is made known to them by others, particularly during the period in which the annual filings are being prepared; and
- Information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

The CEO and CFO have also designed internal controls over financial reporting (“ICFR”) or have caused ICFR to be designed under their supervision using the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 COSO Framework), to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Due to the inherent limitations of DC&P and ICFR, Management does not expect that DC&P and ICFR can prevent or detect all errors or intentional misstatements resulting from fraudulent activities.

The CEO and the CFO have limited the scope of their design of DC&P and ICFR to exclude controls, policies and procedures of the Louis Berger business acquisition which was completed on December 18, 2018, as permitted by the Canadian Securities Administrators’ National Instrument 52-109 for 365 days following an acquisition. Note 4 of the Corporation's 2018 audited consolidated financial statements presents summary financial information with respect to Louis Berger acquisition.

There were no changes in the Corporation’s ICFR that occurred during the period beginning on January 1, 2019 and ended on March 30, 2019, that have materially affected, or are reasonably likely to materially affect, the Corporation’s ICFR. Controls will continue to be periodically analyzed in order to sustain a continuous improvement.

10.2 RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board has oversight responsibilities for reported information. Accordingly, the Audit Committee and the Board of WSP have reviewed and approved the unaudited interim condensed consolidated financial statements for the period ended March 30, 2019, and this MD&A, before their publication.

11 SIGNIFICANT ACCOUNTING POLICIES

The Corporation's unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board applicable to the preparation of the interim financial statements, including IAS 34, "Interim Financial Reporting," and are based on the same accounting policies as the ones used in the preparation of the Corporation's audited consolidated financial statements for the year ended December 31, 2018 and for new accounting policies adopted on January 1, 2019.

Please refer to the Corporation's 2018 audited consolidated financial statements and the Corporation's Q1 2019 unaudited interim condensed consolidated financial statements for more information about the significant accounting principles and the significant estimates used to prepare the financial statements.

12 FUTURE ACCOUNTING STANDARDS

The Corporation's audited consolidated financial statements for the year ended December 31, 2018, and the related MD&A presented the future accounting standards issued by the IASB coming into force in the coming years.

13 FINANCIAL INSTRUMENTS

The Corporation's 2018 audited consolidated financial statements described in note 27 the risks arising from financial instruments and the way these risks are managed by the Corporation. For the first quarter of 2019, there were no material changes to the risks related to financial instruments and no significant changes in the financial instruments classification. Furthermore, the methodology used to determine the fair value of financial instruments has not changed during the first quarter of 2019.

14 RELATED PARTY TRANSACTIONS

The Corporation has control over its subsidiaries and they are consolidated in the consolidated financial statements. Some management agreements are in place with structured entities. These entities provide different services, mainly in the architecture industry. These management agreements provide the Corporation with control over the management and operations of these entities. The Corporation also receives a management fee and has an obligation regarding their liabilities and losses. Based on these facts and circumstances, Management has concluded that these entities are controlled by the Corporation and, therefore, consolidated them in the financial statements.

Transactions among subsidiaries and structured entities are entered into in the normal course of business and on an arm's length basis. All intercompany balances and operations are eliminated.

The Corporation conducts certain activities in joint arrangements which qualify as joint operations. These joint operations are accounted by the Corporation recording its pro rata share of the assets, liabilities, revenues, costs and cash flows using the most recent financial statements of these joint arrangements available.

15 OFF-BALANCE SHEET AGREEMENTS

The Corporation does not engage in the practice of off-balance sheet financing, except for the use of letters of credit.

16 OUTLOOK

The original 2019 target range outlook was provided on March 13, 2019, as part of the 2018 MD&A in relation to the year ended December 31, 2018 financial results to assist analysts and shareholders in formalizing their respective views on 2019. The reader is cautioned that using this information for other purposes may be inappropriate. These measures are subject to change. The information set out in this section constitutes forward-looking information. Please refer to the "Forward-Looking Statements" section of this MD&A.

The following table summarizes our original 2019 target range outlook (excluding *IFRS 16 - Leases* impact) and our updated 2019 target range outlook (including *IFRS 16 - Leases* impact) as at May 13, 2019.

	ORIGINAL 2019 TARGET RANGE Excluding *IFRS 16 - Leases* impact	**UPDATED 2019 TARGET RANGE Including *IFRS 16 - Leases* impact**
Net revenues*	Between $6,600M and $6,900M	Between $6,600M and $6,900M
Adjusted EBITDA*	Between $740M and $790M	Between $950M and $1,000M
Seasonality and adjusted EBITDA* fluctuations	Between 18% and 30%, Q1 being the lowest and Q3 being the highest	Between 20% and 30%, Q1 being the lowest and Q3 being the highest
Effective tax rate	26% to 28%	26% to 28%
DSO*	78 to 83 days	78 to 83 days
Net capital expenditures **	Between $120M and $135M	Between $120M and $135M
Net debt to adjusted EBITDA* ratio	1.5x to 2.5x 1)	1.0x to 2.0x 1)
Acquisition, integration and restructuring costs*	Between $30M and $40M	Between $30M and $40M

* *Non-IFRS measures are described in the "Glossary" section.*
** *Capital expenditures pertaining to property, plant and equipment and intangible assets, net of proceeds from disposal.*
1) *Target excluding any debt required to finance potential 2019 acquisitions.*

The adoption of *IFRS 16- Leases*, effective January 1, 2019, had an impact on the Corporation's adjusted EBITDA, adjusted EBITDA seasonality fluctuations ranges and net debt to adjusted EBITDA ratio originally provided in the Corporation's 2018 MD&A, dated March 13, 2019.

Prior to January 1, 2019, under *IAS-17 - Leases*, most of the Corporation's leases qualified as operating leases and were usually expensed on a straight-line basis under the headings occupancy costs (property leases) or other operational costs (equipment leases). Under *IFRS 16 - Leases,* most leases are required to be capitalized, creating both a right-to-use asset and corresponding lease liability. The right-to-use asset is depreciated over the shorter of the asset's useful life and lease term on a straight line basis. The discounted lease liability is impacted by the recording of an interest expense and cash lease payments made.

As such, the adoption of *IFRS 16 - Leases* results in a positive impact to adjusted EBITDA, and a negative impact to both finance costs and net earnings when compared to 2018 and prior years.

The target ranges presented in the preceding table were prepared assuming no fluctuations in foreign exchange rate in markets in which the Corporation operates. In the 2019 forecast, the Corporation considered numerous economic and market assumptions regarding the competition, political environment and economic performance of each region where it operates. In preparing its 2019 forecasts (original and *IFRS 16 - Leases* adopted 2019 target ranges), the Corporation also assumed that economic factors and market competition in regions where it operates would remain stable.

The forecasts were prepared using tax rates enacted as of December 31, 2018, in the countries in which the Corporation currently operates and assumed no change in the tax law applicable to such countries. In the 2019 forecasts, the Corporation did not consider any dispositions, mergers, business combinations and other transactions that may occur after the publication of the March 13, 2019 MD&A. The Corporation cautions that the assumptions used to prepare the 2019 forecasts could be incorrect or inaccurate. Accordingly, the Corporation's actual results could differ materially from the Corporation's expectations as set out in this MD&A.

17 FORWARD-LOOKING STATEMENTS

In addition to disclosure of historical information, the Corporation makes or provides statements or information in this MD&A that are not based on historical facts and which are considered to be forward-looking information or forward-looking statements under Canadian securities laws. These statements relate to future events or future performance, including future-oriented financial information, and reflect the expectations of Management regarding the growth, results of operations, performance and business prospects and opportunities of the Corporation or its industry.

This MD&A contains forward-looking statements, including the Outlook in section 16. Forward-looking statements can typically be identified by terminology such as "may", "will,", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "forecast", "project", "intend", "target", "potential", "continue" or the negative of these terms or terminology of a similar nature. Such forward-looking statements reflect current beliefs of Management and are based on certain factors and assumptions as set forth in this MD&A, which by their nature are subject to inherent risks and uncertainties. While the Corporation considers these factors and assumptions to be reasonable based on information available as of May 13, 2019, actual events or results could differ materially from the results, predictions, forecasts, conclusions or projections expressed or implied in the forward-looking statements.

In evaluating these forward-looking statements, investors should specifically consider various factors, including but not limited to the following risk factors discussed in greater detail in section 21 of the 2018 MD&A: "Global Operations"; "Reputational Risk"; "Environmental, Health and Safety Risks and Hazards"; "Non-Compliance with Laws or Regulations"; "Systems, Network Infrastructure and Data Failure, Interruption and Breach"; "Changes to Backlog"; "Revenues from Contracts with Government Agencies"; "Controls and Disclosure"; "Risk of Future Legal Proceedings"; "Growth by Acquisitions"; "Acquisition Integration and Management"; "Challenges Associated with Size"; "Risks Associated with Professional Services Contracts"; "Joint Arrangements" "Economic Environment"; "Reliance on Suppliers and Subcontractors"; "Availability and Retention of Qualified Professional Staff"; "Adequate Utilization of Workforce"; "Work Stoppage and Labour Disputes"; "Insurance Limits"; "Extreme Weather Conditions and the Impact of Natural or Other Disasters"; "Competition in the Industry"; "Changes to Regulations"; "Increased Awareness of Environmental Factors"; "Deterioration of Financial Position or Net Cash Position"; "Working Capital Requirements"; "Accounts Receivable"; "Increased Indebtedness and Raising Capital"; "Impairment of Goodwill"; "Foreign Currency Exposure"; "Income Taxes"; "Underfunded Defined Benefits Obligations"; "Potential Dilution"; "Potential Issuance of Preferred Shares"; "Risks Related to Forward-Looking Statements" as well as other risks detailed from time to time in reports filed by the Corporation with securities regulators, which may cause events or results to differ materially from the results expressed or implied in any forward-looking statement.

Forward-looking statements made by the Corporation are based on a number of assumptions believed by the Corporation to be reasonable as at May 13, 2019, including assumptions about general economic and political conditions; the state of the global economy and the economies of the regions in which the Corporation operates; the state of and access to global and local capital and credit markets; interest rates; working capital requirements; the collection of accounts receivable; the Corporation obtaining new contract awards; the type of contracts entered into by the Corporation; the anticipated margins under new contract awards; the utilization of the Corporation's workforce; the ability of the Corporation to attract new clients; the ability of the Corporation to retain current clients; changes in contract performance; project delivery; the Corporation's competitors; the ability of the Corporation to successfully integrate acquired businesses; the acquisition and integration of businesses in the future; the Corporation's ability to manage growth; external factors affecting the global operations of the Corporation; the state of the Corporation's backlog; the joint arrangements into which the Corporation has or will enter; capital investments made by the public and private sectors; relationships with suppliers and subcontractors; relationships with management,key professionals and other employees of the Corporation; the maintenance of sufficient insurance; the management of environmental and health and safety risk; the sufficiency of the Corporation's current and planned information systems, communications technology and other technology; compliance with laws and regulations; future legal proceedings; the sufficiency of internal and disclosure controls; the regulatory environment; impairment of goodwill; foreign currency fluctuation; the tax legislation and regulations to which the Corporation is subject and the state of the Corporation's benefit plans. Other assumptions are set out throughout this MD&A (particularly, in the section entitled Outlook). If these assumptions prove to be inaccurate, the Corporation's actual results could differ materially from those expressed or implied in such forward-looking statements.

Actual results and events may be significantly different from what we currently expect because of the risks associated with our business, industry and global economy and of the assumptions made in relation to these risks. As such, there can be no assurance that actual results will be consistent with forward-looking statements. The Corporation does not necessarily update or revise forward-looking information even if new information becomes available, unless legislation requires us to do so. Readers should not place undue reliance on forward-looking statements.

18 RISK FACTORS

The Corporation's results of operations, business prospects, financial position and achievement of strategic plan are subject to a number of risks and uncertainties and are affected by a number of factors which could have a material adverse effect on the Corporation's business, financial condition or future prospects. These risks should be considered when evaluating an investment in the Corporation and may, among other things, cause a decline in the price of the shares or adversely affect the Corporation's ability to declare dividends on the shares. The Corporation's risks and uncertainties have not materially changed from those described in the 'Risk Factors' section of the MD&A for the year ended December 31, 2018.

19 ADDITIONAL INFORMATION

Additional information regarding the Corporation is available on our Website at www.wsp.com and on SEDAR at www.sedar.com. The Annual Information Form of the Corporation for the year ended December 31, 2018, is available on these websites.

The common shares of the Corporation are traded on the Toronto Stock Exchange under the symbol "WSP". As at March 30, 2019, the Corporation had 104,768,837 common shares outstanding. As at May 13, 2019, the Corporation had 105,047,828 common shares outstanding following the share issuance realized under the DRIP after the payment of the first quarter dividend in April 2019.

The Corporation has no other shares outstanding.

20 GLOSSARY

NET REVENUES

Net revenues are defined as revenues less direct costs for subconsultants and other direct expenses that are recoverable directly from the clients. Net revenues are not an IFRS measure and do not have a standardized definition within IFRS. Therefore, net revenues may not be comparable to similar measures presented by other issuers. Investors are advised that net revenues should not be construed as an alternative to revenues for the period (as determined in accordance with IFRS) as an indicator of the Corporation's performance.

EBITDA

EBITDA is defined as earnings before financial expenses, income tax expenses and depreciation and amortization. EBITDA is not an IFRS measure and does not have a standardized definition within IFRS. Investors are cautioned that EBITDA should not be considered an alternative to net earnings for the period (as determined in accordance with IFRS) as an indicator of the Corporation's performance, or an alternative to cash flows from operating, financing and investing activities as a measure of the liquidity and cash flows. The Corporation's method of calculating EBITDA may differ from the methods used by other issuers and, accordingly, the Corporation's EBITDA may not be comparable to similar measures used by other issuers.

ADJUSTED EBITDA

Adjusted EBITDA is defined as earnings before financial expenses, income tax expenses, depreciation and amortization and acquisition, integration and restructuring costs. Adjusted EBITDA is not an IFRS measure and does not have a standardized definition within IFRS. Investors are cautioned that adjusted EBITDA should not be considered an alternative to net earnings for the period (as determined in accordance with IFRS) as an indicator of the Corporation's performance, or an alternative to cash flows from operating, financing and investing activities as a measure of the liquidity and cash flows. The Corporation's method of calculating adjusted EBITDA may differ from the methods used by other issuers and, accordingly, the Corporation's adjusted EBITDA may not be comparable to similar measures used by other issuers.

ADJUSTED EBITDA MARGIN

Adjusted EBITDA margin is defined as adjusted EBITDA expressed as a percentage of net revenues. Adjusted EBITDA margin is not an IFRS measure and does not have a standardized definition within IFRS.

ADJUSTED EBITDA BEFORE GLOBAL CORPORATE COSTS

Adjusted EBITDA before Global Corporate costs is defined as adjusted EBITDA excluding Global Corporate costs. Global Corporate costs are expenses and salaries related to centralized functions, such as global finance, human resources and technology teams, which are not allocated to reportable segments. This measure is not an IFRS measure and does not have a standardized definition within IFRS. It provides Management with comparability from one reportable segment to another.

ADJUSTED EBITDA MARGIN BEFORE GLOBAL CORPORATE COSTS

Adjusted EBITDA margin before Global Corporate costs is defined as adjusted EBITDA before Global Corporate costs expressed as a percentage of net revenues. Adjusted EBITDA margin before Global Corporate costs is not an IFRS measure and does not have a standardized definition within IFRS. It provides Management with comparability from one reportable segment to another.

ADJUSTED NET EARNINGS AND ADJUSTED NET EARNINGS PER SHARE

Adjusted net earnings is defined as net earnings attributable to shareholders excluding acquisition, integration and restructuring costs and the income tax effects related to these costs. Adjusted net earnings is not an IFRS measure and does not have a standardized definition within IFRS. It provides a comparative measure of the Corporation's performance in a context of significant business combinations, in which the Corporation may incur significant acquisition, integration and restructuring costs. The Corporation believes these costs should be excluded in understanding the underlying operational financial performance achieved by the Corporation.

Adjusted net earnings per share is calculated using the basic weighted average number of shares.

ADJUSTED NET EARNINGS EXCLUDING AMORTIZATION OF INTANGIBLE ASSETS RELATED TO ACQUISITIONS AND ADJUSTED NET EARNINGS EXCLUDING AMORTIZATION OF INTANGIBLE ASSETS RELATED TO ACQUISITIONS PER SHARE

Adjusted net earnings excluding amortization of intangible assets related to acquisitions (net of income taxes) is defined as adjusted net earnings attributable to shareholders excluding the amortization of backlogs, customer relationships, non-competition agreements and trade names accounted for in business combinations and the income tax effects related to this amortization. Adjusted net earnings excluding amortization of intangible assets related to acquisitions (net of income taxes) is not an IFRS measure and does not have a standardized definition within IFRS. It provides a comparative measure of the Corporation's performance in a context of significant business combinations.

Adjusted net earnings excluding amortization of intangible assets related to acquisitions (net of income taxes) per share is calculated using the basic weighted average number of shares.

ACQUISITION, INTEGRATION AND RESTRUCTURING COSTS

Acquisition, integration and restructuring costs is not an IFRS measure and does not have a standardized definition within IFRS. Acquisition, integration and restructuring costs are items of financial performance which the Corporation believes should be excluded in understanding its underlying operational financial performance.

In 2017 and 2018, acquisition, integration and restructuring costs pertained mainly to transaction and integration costs related to business acquisitions (up to 24 months from the date of acquisition) as well as any gains or losses made on disposals of non-core assets. In 2018, IT outsourcing program costs, pertaining mainly to non-recurring redundancy and transition costs resulting from the outsourcing of the Corporation's IT infrastructure and operations support, and past service cost related to legacy UK-based defined benefit pension plans, were also included under this caption.

Effective in 2019, the Corporation will incur restructuring costs in connection to the Louis Berger acquisition, as disclosed at the time of said acquisition.

BACKLOG

Backlog is not an IFRS measure and does not have a standardized definition within IFRS. It represents future revenues stemming from existing signed contracts to be completed. The Corporation's method of calculating backlog may differ from the methods used by other issuers and, accordingly, may not be comparable to similar measures used by other issuers.

FUNDS FROM OPERATIONS AND FUNDS FROM OPERATIONS PER SHARE

Funds from operations is not an IFRS measure and does not have a standardized definition within IFRS. It provides Management and investors with a proxy for the amount of cash generated from (used in) operating activities before changes in non-cash working capital items.

Funds from operations per share is calculated using the basic weighted average number of shares.

FREE CASH FLOW AND FREE CASH FLOW PER SHARE

Free cash flow is not an IFRS measure and does not have a standardized definition within IFRS. It provides a consistent and comparable measurement of discretionary cash generated by and available to the Corporation. Free cash flow is defined as cash flows from operating activities as reported in accordance with IFRS, plus discretionary cash generated by the Corporation from other activities (if any), less lease payments and net capital expenditures.

Free cash flow per share is calculated using the basic weighted average number of shares.

DAYS SALES OUTSTANDING ("DSO")

DSO is not an IFRS measure and does not have a standardized definition within IFRS. It represents the average number of days to convert our trade receivables (net of sales taxes) and costs and anticipated profits in excess of billings into cash, net of billings in excess of costs and anticipated profits. The Corporation's method of calculating DSO may differ from the methods used by other issuers and, accordingly, may not be comparable to similar measures used by other issuers.

NET DEBT TO ADJUSTED EBITDA RATIO

Net Debt to adjusted EBITDA ratio is not an IFRS measure and does not have a standardized definition within IFRS. Net debt is defined as financial liabilities, consisting of long term debt and other financial liabilities, including current portions, excluding lease liability and net of cash. The Corporation uses this ratio as a measure of financial leverage and is calculated on our trailing twelve month adjusted EBITDA.