

2011 AGM Speech—May 14, 2012

Thank you Paul and a pleasant welcome to everyone here today.

Safety

I would like to start my remarks with the most important initiative that we continued to address during the year which was our effort relative to the overriding value of our Mission Statement—that being safety. The Company has been increasing our efforts with respect to safety by implementing numerous personnel and program enhancements to ensure that Bird is a leader in construction safety throughout our operations from coast to coast. While we believe in our safety program and have received numerous awards for our commitment to safety, incidents did occur throughout the year that reinforces the need for constant vigilance on our project sites.

In order to facilitate a continuous focus on our safety program we are introducing a number of initiatives to improve the safety culture throughout our organization. These are being lead by our National Safety Director under my direction. We are committed to putting safety first within Bird, not just as a catchy phrase, but by living it every day. This must occur on the front lines of our project sites and be facilitated by management at all levels within the organization. I am confident that Bird will succeed in this most important objective by putting the safety of our people first.

People

After safety, the next most important area of focus within our organization to ensure the ongoing success of our Company is that of our employees. There were many events that relate to our employees that took place last year as we continue to grow the Company and I want to share some of them with you.

I too, on behalf of management, would like to express our gratitude to the two Board members that Paul referred to in his remarks. We appreciate the contribution that Urban Joseph has made to the Company during his tenure on our Board and wish him well in his future endeavours. Our Board meetings will not be as enjoyable now without the ever present banking jokes. But somehow, we will dig deep and find a way to move on.

You may not know, but Richard Bird is the third generation Bird to be involved in the Company's activities. Richard's grandfather, Hubert Bird, the Company's founder, and Richard's father, Robert Bird, contributed to the Company for the first 80 years of its existence. Richard will now join them as the first trio of Bird employees to become members of our 25 Year Club. Congratulations to Richard and thank-you for your significant contribution to Bird. We hope you are around for many years to come.

The year 2011 was a very exciting and busy twelve months for the Company. I would like to take you through the year outlining some of the significant events that took place.

- In June of 2011, Paul Raboud became the most recent inductee into the Company's 25 Year Club. This celebration was a year late due to someone's inability to read a spreadsheet, but better late than never. The event was attended by Paul's family, members of the management team and the Toronto employees. Including Richard Bird today, we will add 4 names to the 25 Year Club in 2012. We will also celebrate another employee's 50 years of service with Bird this year. I think this reinforces the fact that long, personal, satisfying careers are achievable at Bird.
- At a function in Edmonton this past September, Dave Toronchuk officially retired from Bird after 33 years of service. Dave was instrumental in the industrial initiatives that fueled the Edmonton growth and the ensuing financial results of the Company for many years. The employees that Dave brought into the Company and mentored are now poised take the Edmonton district to new levels that I hope to be able to share with you next year.
- To address the growth that the Company realized in 2011 and will continue to undertake in the future, we have reorganized and increased the capacity of the corporate office to provide the support that our operational districts require to ensure ongoing success. As we expect additional growth, there will likely be further expansion of this group as we continue to modify Bird's style of operations to match the ever changing demands of the construction industry within Canada.
- Also, to deal with the growth of the Company, our Controller's Department, now comprised of close to 50 skilled staff, was relocated to a new facility that is deserving of this hardworking team within our organization. This new and improved functional layout will allow this professional group to continue to serve our front line operations throughout Canada with the level of collaboration that they have been accustomed to.
- We continue to provide ongoing training to our employees through a series of monthly lunch and learns on a wide range of general interest topics, quarterly technical & operationally based seminars that are presented by both internal and external speakers, and more extensive full day training sessions on a very targeted topic of need throughout the organization.
- As I mentioned last year, the Company was introducing a new learning initiative directed at leaders within our organization. Lead by Jim Brennan, it was branded as the Bird Leadership Academy. We celebrated the completion by the first group of attendees, the Class of 2012,

with the concluding module just last month. We were delighted by the dedication and significance these 20 employees of the Company placed in the Academy. This group was intense and we saw vast improvement in their leadership skills since the first interaction we had with them a year ago when we commenced. I firmly believe that you, as shareholders and employees of Bird, will see the benefits of this initiative for many years to come and long after this Executive leadership group leaves the Company. The participants themselves felt that the Academy has provided them with improved abilities to further their careers with Bird and contribute to even greater success of the Company. In addition to the leadership tools developed at the Academy, the group achieved a level of camaraderie that will benefit them and the Company immensely as they promote our Company culture.

- And we are at it again. At the start of May, our second group, the Class of 2013, commenced with the Bird Leadership Academy. We will do our best to ensure that this group of 25 leaders is provided with the same elite learning experience and achieves an equivalent level of satisfaction that the first group did.
- These are all important people initiatives and, in part, saw the continuous growth in our employee numbers. During the year the number of Bird employees grew monthly and surpassed the 1000 mark for the first time ever. We currently stand at approximately 1100 office and field employees at the legacy Bird operations. With the addition of O'Connell to our organization, we have over 1700 employees in the Company. We want to extend a warm welcome all the new employees to Bird and look forward to their contribution to our firm.

The construction industry is anticipating significant labor shortages over the next few years. Therefore it is important that we not only employ new staff to support our growth initiatives, but ensure that our current employee compliment are connected to the Company so that we do not have to replace these staff members that we have so heavily invested in. That is why we are so focused on safety and employee engagement initiatives. Because, if we do these things well, we are certain that our talented and dedicated employees will contribute to the successes that we are looking for as a Company.

Projects

To underscore this point, here are some of the achievements that our people produced for the Company 2011:

- We completed the re-design of our corporate brochure and created a number of other marketing materials for use in the promotion of the Company to secure value added work.
- Our finance department, lead by Stephen Entwistle, successfully implemented International Financial Reporting accounting standards during the year.

- Our Controller's and Information Technology Departments have completed the transition from our old accounting system to the Viewpoint system as at the second quarter of the past year. We will now move to the next phase with the implementation of the operational modules incorporated in Viewpoint to better streamline our district office construction operations.

- A very significant event in the history of Bird took place in the middle of 2011 when we successfully completed the acquisition of H.J. O'Connell, Limited. This is only the second acquisition that Bird has completed in its 92 year history, the first being the Rideau transaction in 2008. Highlights of this strategic transaction to diversify and grow Bird's operations are the following:
 - First, in keeping with Bird's values, O'Connell is very focused on safety
 - The operational style of O'Connell closely mirrors Bird's corporate culture
 - O'Connell is focused on people and brings close to 600 employees to the Bird organization
 - O'Connell has operational strength in the contract surface mining, heavy civil and industrial construction market sectors
 - \$77.5 million transaction value with another \$1 million in costs
 - Financed by way of \$33.5 million in working capital, \$30 million of equipment financing & \$15 million in VTB notes
 - Will add in the range of \$200 million of annual volume to Bird's operations
 - A fleet of 400 pieces of heavy equipment valued at approximately \$60 million
 - Transaction is immediately accretive to Bird shareholders
 - No impact on Bird's financial capacity to undertake increased operational opportunities

We are very excited to have O'Connell as part of the Bird family and look forward to construction opportunities that the combined people in both organizations will be able to pursue and build together.

Out in the field, here are some of the major construction projects executed by our people:

- Surrey OPF- \$250M PPP job turned over in Q1 of 2011

- ASAP II- \$150M PPP, 10 schools wrapping up by June 2012

- Ft. McMurray Water Treatment Plant- \$85M fixed price project

- Rocanville Potash Storage Facility- \$95M design-build project completed last fall
- CFB Trenton Hangar 1- \$80M design-build project just turned over for the CF17 heavy lift aircraft
- Saint John Courthouse- \$35M phase II after we did phase I
- Pleasantville Consolidation Project- \$120M design-build project
- Paul's Peak Waste Rock Removal- \$100M unit price job to remove 37 million tons of waste rock awarded in September right after transaction close

Profit

With our dedication to safe operations, a commitment to people and a focus on projects, we are able to produce profits for our shareholders. Here are our financial result highlights for 2011:

- Revenue
 - Second highest only to 2008
 - Q4 first time in excess of \$300M
- Profit before taxes
 - Impacted by competitive markets
 - Aided by O'Connell's 4 month contribution
- Net income
 - Affected by full taxation and competitive markets
 - Improved results in the last half of 2011 aided by O'Connell
- Adjusted net income
 - Non GAAP measure to remove the effect of the accounting charges primarily related to the O'Connell transaction

- Working capital
 - Impacted by HJO transaction...brought in about \$20M and spent \$34M on the transaction...offset by earnings less dividends in the year

- New awards
 - Down from previous year, but an indication of how busy we are...have secured over \$600M in first 4.5 months of this year

- Backlog
 - Highest quarterly backlog at Q3 of 2011
 - Record yearend backlog

- The revenues derived from our respective operating markets are largely unchanged from last year and are as reflected in the following chart:
 - Institutional market declined slightly and I would anticipate further reductions here relative to the other 2 markets as we move into what appears to be more favourable economic times with more private spending driving the commercial and industrial markets.
 - Commercial increased from 8% to 11% as this market rebounded in 2011.
 - And industrial held virtually steady, although grew in absolute terms. This also includes the \$66 million that O'Connell contributed for 4 months in 2011.

These results and the confidence we have in the Company moving forward have allowed the Board to increase the dividend. Last year we increased the dividend by 10% and in March of this year increased the dividend by a further 9% to its current level of 72 cents per share per year.

While we did see some enhancement in our results in the last half of 2011, the improvements in the markets that we were counting on is not progressing as quickly as we had anticipated. There was some improvement to going-in margins on work that was secured in the back half of 2011. With a full year's contribution from O'Connell and our planned strategies for growth in our legacy Bird operations, we are forecasting increased revenues for the Company in 2012. We do not expect our profits to rebound as quickly as revenues due to the continued competitiveness of the construction marketplace as companies are still recovering from the effects of the difficult times over the past few years. Additionally, the increased competition from the influx of foreign competition is keeping our margins lower than we would like.

With the addition of O'Connell to our organization and the anticipated growth in the years to come, management of Bird developed a new Strategic Plan looking out to 2017. This plan was approved by the Board today and will be rolled out to our employees throughout the remainder of the year. The pillars of this plan continue to be focused on safety, people, and projects—all to produce profits. It will be this plan combined with the successful culture of our Company as outlined through our Mission Statement with the embedded values of Safety, Honesty, Teamwork, Fairness, Professionalism and Personal Growth that will lead the way to another successful year in 2012.

Thank-you.