

Aecon Group

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Aecon touches 6-month low after posting Q2 loss on weak mining construction business

Aecon Group Inc. (TSX:ARE), a Canadian construction company, fell to the lowest in about six months after posting a net loss in its second quarter, hurt by lower revenue and margins in its mining construction segment.

Shares were down 1.8 percent at C\$16.31 at 1:31 p.m. in Toronto, after reaching C\$15.49, the lowest intraday price since Feb. 26.

Net loss was \$12.2 million, or \$0.23 per share, in the April-to-June period, compared with net income of \$7.9 million, or \$0.13 per diluted share, the Toronto-based company said in a statement late yesterday.

Adjusted earnings per share were \$0.26.

Overall revenue was \$589.6 billion, down from \$697.6 million.

Revenue from the company's energy segment was up \$19.1 million; revenue from Infrastructure was down \$48.8 million; and Mining revenue fell \$85.2 million.

Analysts had estimated a profit of \$0.12 per share with \$641.52 million of revenue.

Aecon said its mining sector has been recovering since the quarter ended and Aecon expects the second half of the year to be stronger in 2014 than is usually the case.

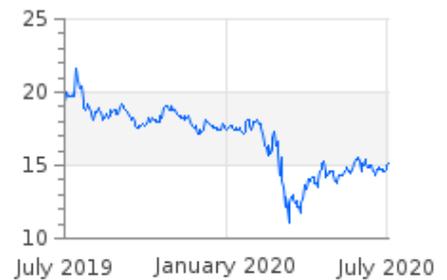
It also said that it has been awarded \$280 million for three large contracts since the quarter ended on June 30 — one for each of its three operating segments.

"While we were disappointed by the delay we experienced in securing the additional work we have now booked for our mining business and the temporary client production shutdowns in the oil sands during the second quarter, we move forward with confidence into the second half of 2014 with major new Infrastructure projects ramped up and significant mining work in hand," Chief Executive Officer Teri McKibbin said in the statement.

Price: 14.66

Market Cap: \$877.64 m

1 Year Share Price Graph



Share Information

Code: ARE

Listing: TSX

52 week High Low
21.83 10.94

Sector: Builders and building materials

Website: www.aecon.com

Company Synopsis:

Aecon is Canada's largest publicly traded construction and infrastructure development company.

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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