

FORM 51-102 F3

MATERIAL CHANGE REPORT

SNC-LAVALIN GROUP INC.

1. Reporting Issuer

SNC-Lavalin Group Inc.
455 René-Lévesque Blvd West
Montréal, Québec H2Z 1Z3

2. Date of Material Change

March 26, 2007

3. Press Release

On March 26, 2007, SNC-Lavalin Group Inc. issued a press release indicating the material change which was disseminated through Canada NewsWire on March 26, 2007.

4. Summary of Material Change

On March 26, 2007, SNC-Lavalin Group Inc. announced that its first quarter results will be affected by a forecasted loss on a major power project.

As reported in the Management Discussion and Analysis in the 2006 Annual Report of the Company, the Power segment was expected to provide a positive contribution to the overall Company profit in 2007. Due to this forecasted loss, the Power segment is now expected to have an operating loss in 2007.

5. Full Description of Material Change

See attached press release.

6. Reliance on Provisions Applying to Confidential Filing

N/A

7. Omitted Information

N/A

8. Senior Officers

For further information, contact:

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9. Statement of Senior Officer

The information contained in this material change report accurately discloses the material change referred to herein.

DATED at Montréal, Québec this 29th day of March 2007.

(signed)

Réjean Goulet
Vice President, Law

ANNEX A
PRESS RELEASE

See attached.

Attention Business/Financial Editors:

SNC-Lavalin announces a forecasted loss on a major power project

MONTREAL, March 26 /CNW Telbec/ - SNC-Lavalin Group Inc. (TSX:SNC) announced that its 2007 first quarter results, scheduled for release on May 4, 2007, will be affected by a forecasted loss on a major power project, mainly due to issues arising from the bankruptcy proceedings of a key supplier.

As reported in the Management Discussion and Analysis in the 2006 Annual Report, the Power segment was expected to provide a positive contribution to the overall Company profit in 2007. Due to this forecasted loss, the power segment is now expected to have an operating loss in 2007.

Considering the recognition of the two events in the first quarter, namely the gain from the sale of SNC TEC and the forecasted loss on this power project, SNC-Lavalin's management expects an increase in net income excluding Highway 407 for the year 2007 compared to 2006.

The Company will provide an update during its regularly scheduled conference call for analysts following release of its first quarter 2007 results.

SNC-Lavalin (TSX: SNC) is one of the leading groups of engineering and construction companies in the world, a global leader in the ownership of infrastructure, and in operations and maintenance services. The SNC-Lavalin companies have offices across Canada and in 30 other countries around the world and are currently working in some 100 countries. www.snclavalin.com

Reference in this press release, and hereafter, to the "Company" or to "SNC-Lavalin" means, as the context may require, SNC-Lavalin Group Inc. and all or some of its subsidiaries or joint-ventures, or SNC-Lavalin Group Inc. or one or more of its subsidiaries or joint-ventures. Statements made in this press release that describe the Company's or management's objectives, projections, estimates, expectations or predictions of the future may be "forward-looking statements", which can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "should", "estimates", "anticipates", or the negative thereof or other variations thereon. The Company cautions that, by their nature, forward-looking statements involve risks and uncertainties and that its actual actions and/or results could differ materially from those expressed or implied in such forward-looking statements, or could affect the extent to which a particular projection materializes.

SNC-Lavalin's Consolidated Financial Statements and Management's Discussion and Analysis and other relevant financial materials are available in the Investor Relations section of the Company's website at www.snclavalin.com. These and other Company reports are also available on the website maintained by the Canadian Securities regulators at www.sedar.com.

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