

16 APRIL 2019**1Q19 NPAT UP 5% YOY¹ TO \$181 MILLION****CASH FLOW FROM OPERATING ACTIVITIES² UP 60% YOY TO \$248M; LTM³ EBITDA CONVERSION 108%****ROBUST FINANCIAL POSITION WITH NET CASH UP AROUND \$700M TO \$1.6BN****REVENUE⁴ UP 6% YOY TO \$3.4BN****WORK IN HAND⁵ OF \$36.9BN, NEW WORK OF \$4.2BN****2019 NPAT GUIDANCE OF \$790M TO \$840M CONFIRMED**

CIMIC Group today announced substantial increases in cash flow, net cash and work in hand for the three months to 31 March 2019, delivering sustainable returns and cash-backed profit.

Highlights of the result compared with 1Q18 were:

- Solid operating performance with NPAT of \$181 million, up 5%
- Revenue of \$3.4 billion, up 6%, with solid performances across all Operating Companies
- Stable EBIT, PBT and NPAT margins⁶ of 8.2%, 7.3% and 5.3% respectively
- Generated cash flow from operating activities of \$248 million, up 60%
- Strong EBITDA cash conversion rate of 108% in LTM
- Generated free operating cash flow⁷ of \$1.4 billion in LTM
- Robust financial position with net cash of \$1.6 billion, up around \$700 million
- Solid order book with work in hand of \$36.9 billion, equivalent to more than two years' revenue; up \$3.0 billion or 10% in Operating Companies
- Guidance confirmed for 2019 NPAT in the range of \$790 million to \$840 million, subject to market conditions.

CIMIC Group Executive Chairman Marcelino Fernández Verdes said: "With continued growth in revenue and profit, and substantial increases in cash flow and net cash during the period we are in a strong financial and operating position.

¹ Year on year performance during the three-month period to 31 March 2019 compared to the three-month period to 31 March 2018. The Q1 numbers along with the comparative information, include the estimated impact of AASB16, the new leasing standard, effective for CIMIC Group onwards from 1 January 2019, and applied retrospectively during 2018.

² Cash flows from operating activities before interest, finance costs, taxes and dividends received.

³ Last 12 months.

⁴ Revenue excludes revenue from joint ventures and associates and interest income.

⁵ Work in hand includes CIMIC's share of work in hand from joint ventures and associates.

⁶ Margins are calculated on revenue which excludes revenue from joint ventures and associates.

⁷ Free operating cash flow is defined as net cash from operating activities less net capital expenditure for property, plant and equipment.

“Innovation continues to be a priority area and we have increased our focus on digitalisation, establishing a new global initiative, Nexlore, to systematically realise the opportunities offered by new and emerging technologies.”

CIMIC Group Chief Executive Officer Michael Wright said: “Driven by a rigorous focus on operational delivery and risk management we continue to create valued outcomes for our clients.

“Our recent success in both the PPP and Alliance packages for Brisbane’s \$5.4 billion Cross River Rail is a prime example in which we’ve been able to offer a unique solution to our client that delivers the best of CIMIC Group, drawing together specialist skills across our companies.”

CIMIC Group announced several important projects, in Australia and abroad, during the first quarter including:

- UGL secured an extension to its contract with Sydney Trains for the delivery of maintenance and logistics services, generating revenue of more than \$250 million
- Pacific Partnerships, UGL and CPB Contractors, as part of the Momentum Trains consortium, were selected to deliver the \$1.3 billion Regional Rail providing construction and the initial 15-year maintenance term
- Thiess secured a nine-year \$1.7 billion contract with its joint venture partner at the Jwaneng Diamond Mine in Botswana.

Since the end of the quarter, Pacific Partnerships, CPB Contractors, and UGL were selected as the preferred proponents to deliver two major packages for the Cross River Rail in Brisbane: the Tunnel, Stations and Development PPP as part of the Pulse consortium, and the Rail, Integration and Systems package as part of an Alliance partnership. Revenue will be approximately half of the project value and will be finalised at contract execution.

Relevant to CIMIC Group there are nearly \$110 billion of tenders to be bid and awarded during the rest of 2019; and a further \$320 billion in 2020 and beyond, including more than \$130 billion worth of PPP projects.

Mr Fernández Verdes said: “We have been successful in the three major PPPs awarded in the past nine months in our markets – Regional Rail in New South Wales, Waikeria Prison in New Zealand and Cross River Rail in Brisbane – demonstrating the strength of our financial position and our technical expertise.

“Our sound balance sheet and strong net cash position give us flexibility to evaluate further PPPs and other capital allocation opportunities. I look forward to the Group continuing to deliver innovative solutions that create long-term value for our clients and shareholders.”

Refer to ‘Analyst and Investor Presentation’ for further information.

ENDS

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Contacts

Mr Justin Grogan, Investor Relations T+61 2 9925 6628

Ms Fiona Tyndall, General Manager Communications T+61 2 9925 6188

CIMIC Group (ASX:CIM) is an engineering-led construction, mining, services and public private partnerships leader working across the lifecycle of assets, infrastructure and resources projects. CIMIC Group comprises our construction business CPB Contractors, including Leighton Asia and Broad, our mining and mineral

processing companies Thiess and Sedgman, our services specialist UGL and our public private partnerships arm Pacific Partnerships – all supported by our in-house engineering consultancy EIC Activities. Our mission is to generate sustainable shareholder returns by delivering innovative and competitive solutions for clients and safe, fulfilling careers for our people. With a history since 1899, and around 50,000 people in 20 countries, we strive to be known for our principles of Integrity, Accountability, Innovation and Delivery, underpinned by Safety. CIMIC is a member of the S&P/ASX 100 index, the Dow Jones Sustainability Australia Index and FTSE4Good.