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4 February 2020

Singapore Exchange (SGX)
2 Shenton Way
19-00 SGX Centre 1
Singapore 068804

2019 Financial Results – Media Release

Please find attached a copy of a media release issued by CIMIC Group Limited, parent company of CIMIC Finance (USA) Pty Ltd.

Yours faithfully
CIMIC GROUP LIMITED

Company Secretary

4 FEBRUARY 2020**2019 STATUTORY NPAT \$(1.0)BN; NPAT (EXCL. BICC¹) OF \$800M, UP 3% YOY²****OPERATING CASH FLOW³ OF \$1.7BN; FACTORING UNCHANGED****NET CASH⁴ OF \$832M; \$3.0BN OF UNDRAWN FACILITIES****WIH⁵ OF \$37.5BN, AWARDED NEW WORK⁶ OF \$18.0BN****FY20 NPAT GUIDANCE OF \$810M TO \$850M**

CIMIC Group today announced the performance of its business during the 12 months to 31 December 2019:

- Statutory NPAT of \$(1.0) billion; NPAT (excl. BICC) of \$800 million, up 3% YOY
- Revenue⁷ of \$14.7 billion; stable operating profit⁸, PBT and NPAT margins⁹ of 8.4%, 7.5% and 5.4% respectively (excl. BICC)
- One-off post tax impact of \$(1.8) billion relating to the Group's exposure to the non-controlling financial investment in BICC, as a result of the decision to exit the Middle East
- Operating cash flow of \$1.7 billion, no variation in factoring, 80% EBITDA cash conversion (excl. BICC)
- Operating cash flow up substantially by more than \$1.0 billion YOY pre-factoring
- Net cash of \$832 million and \$3.0 billion of undrawn facilities
- Returned \$526 million to shareholders through dividends (\$509 million) and share buyback (\$17 million)
- Solid investment grade credit ratings reaffirmed by Moody's (Baa2/Stable) and S&P (BBB/Stable/A-2) in January 2020, after the announcement to exit the Middle East
- Awarded new work of \$18.0 billion; bidding discipline maintained
- Work in hand of \$37.5 billion, equivalent to more than two years' worth of revenue, provides good visibility
- FY20 NPAT guidance in the range of \$810 million to \$850 million, subject to market conditions.

CIMIC Group Executive Chairman Marcelino Fernández Verdes said: "Our construction, mining and mineral processing, services and public private partnership operations continued to perform well during 2019, in line with our expectations.

"Our decision to exit our financial investment in the Middle East will allow us to focus our resources and capital allocation on the growth opportunities in our core markets in Australia, New Zealand and the Asia Pacific. Notwithstanding the one-off impact on our 2019 financial results, leaving the region is the appropriate long-term decision for our business and our shareholders.

“Looking forward, our prospects are positive, and we are confident about the outlook for our business and our markets, with strong work in hand of \$37.5 billion.

“In 2019 we achieved a solid operating performance. We continued to secure a strong pipeline of new work, building value for our clients through efficiency and innovation in our operations, and maintaining our focus on safety.

“Our key wins for the year included the selection of Pacific Partnerships, CPB Contractors and UGL across two packages of work for Cross River Rail in Brisbane, the largest infrastructure project to date in Queensland. These works, to be delivered through an Alliance and a PPP, provide CIMIC with \$3.6 billion in work, and are excellent examples of how the Group provides engineering-led solutions that integrate the capabilities of several of our companies.”

CIMIC Group announced several important projects during the 12-month period including:

- Pacific Partnerships, CPB Contractors and UGL were selected to deliver the Tunnel, Stations and Development PPP package of the Cross River Rail project, generating revenue of \$2.7 billion
- UGL and CPB Contractors were selected in an Alliance partnership to deliver the Rail, Integration and Systems Alliance package of the Cross River Rail project, generating revenue of \$900 million
- Pacific Partnerships, UGL and CPB Contractors, as part of a consortium, were selected to deliver the Regional Rail PPP in NSW, generating revenue of \$725 million
- UGL and Pacific Partnerships were granted an extension to the existing PPP contract at Sydney Metro, generating revenue of \$366 million
- Thiess achieved extensions to existing work at mines in Botswana and Queensland, generating revenue of \$3 billion
- CPB Contractors secured work redeveloping, expanding and building hospitals in NSW, generating revenue of close to \$1 billion, and secured a number of projects in New Zealand, generating revenue of close to \$500 million.

There is a total of \$160 billion of tenders relevant to CIMIC to be bid and/or awarded in 2020, and \$380 billion of projects are coming to the market in 2021 and beyond. This pipeline includes around \$130 billion worth of PPP opportunities identified for 2020 and beyond.

Mr Fernández Verdes said: “Looking ahead, our focus for 2020 is sustainable growth and returns. Our opportunities continue to strengthen, as governments and private clients in our markets further prioritise social and economic infrastructure projects to support the growth in urbanisation and respond to environmental challenges globally.”

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

ENDS

Issued by CIMIC Group Limited ABN 57 004 482 982 www.cimic.com.au

Authorised by the CIMIC Group Board

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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 40,000 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.

¹ Excludes the one-off item in respect of the provisions and asset impairments of the Group's financial investment in BICC and exit from the Middle East region in 2019

² Year on year performance during the 12-month period to 31 December 2019 compared to the 12-month period to 31 December 2018

³ Operating cash flow includes cash flow from operating activities and changes in short term financial assets and investments before interest, finance costs and taxes

⁴ Net cash/(debt) includes cash and equivalent liquid assets (which includes cash, cash equivalents and short term financial assets and investments)

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

⁶ New work includes new contracts and contract extensions and variations including the impact of foreign exchange rate movements

⁷ Revenue excludes revenue from joint ventures and associates of \$2,506.0m (FY18: \$2,582.6m)

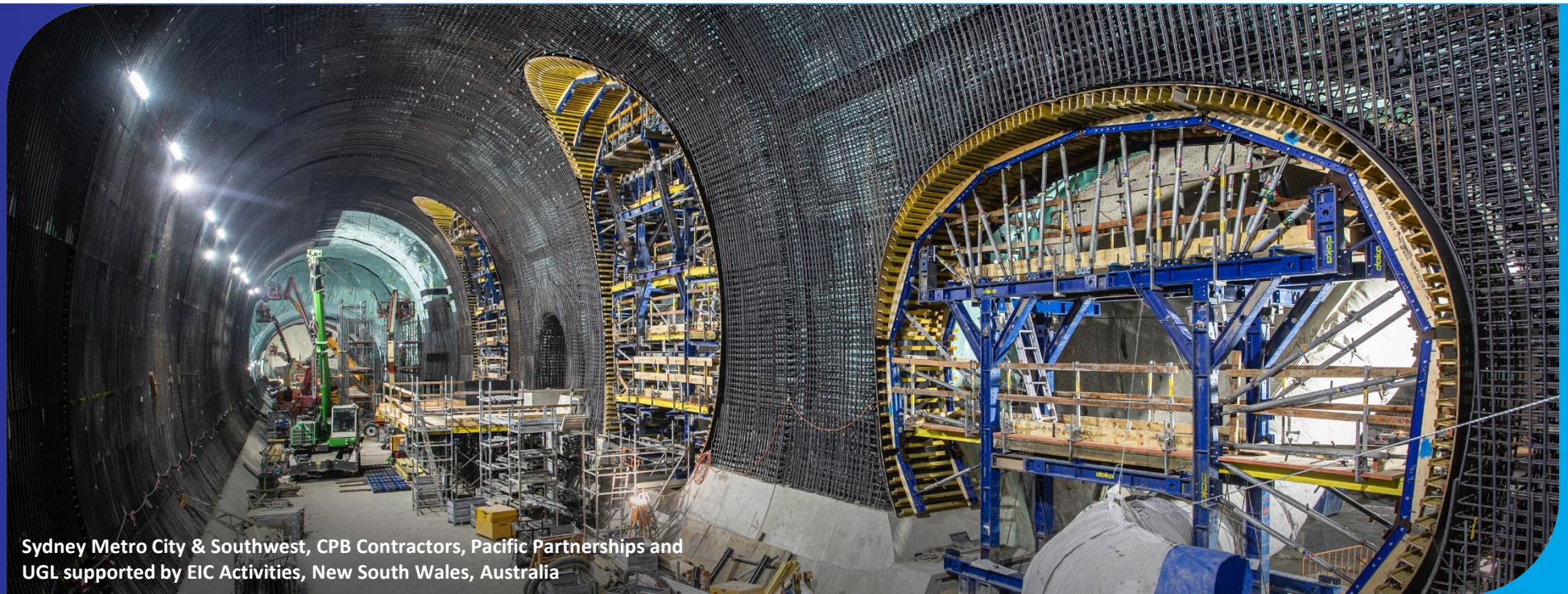
⁸ Operating profit is EBIT adjusted for the one-off item in respect of the provisions and asset impairment of the Group's financial investment in BICC and exit from the Middle East region

⁹ Margins are calculated on revenue which excludes revenue from joint ventures and associates. Margins excluding BICC are calculated as the net of the one-off item in respect of the provisions and asset impairments of the Group's financial investment in BICC and exit from the Middle East region

ANALYST AND INVESTOR PRESENTATION FULL YEAR RESULTS 2019



Marcelino Fernández Verdes, Executive Chairman
Stefan Camphausen, Chief Financial Officer



Sydney Metro City & Southwest, CPB Contractors, Pacific Partnerships and UGL supported by EIC Activities, New South Wales, Australia

4 February 2020

integrity | accountability | innovation | delivery | SAFETY

Refer to 'ASX/Media Release' for further information

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Sustainability Indices
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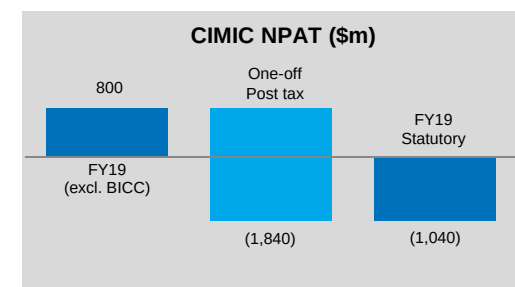
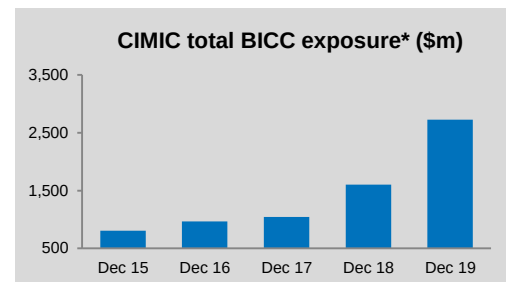


FTSE4Good

Update on BICC

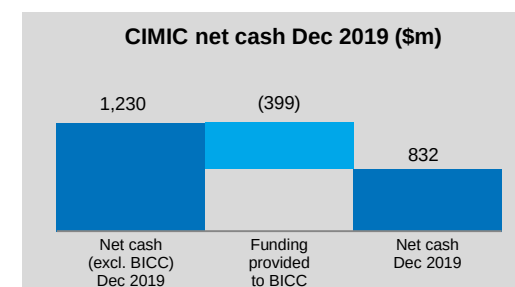
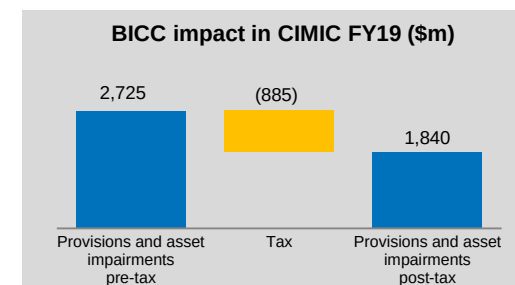
Update on BICC

- ✓ On 23 January 2020 the Group announced to the ASX that it had completed an extensive strategic review of its financial investment of its non-controlling 45% interest in BIC Contracting (BICC), a company operating in the Middle East region
- ✓ As a part of this review:
 - ✓ CIMIC initiated a confidential M&A process in respect of its financial investment in BICC; with discussions continuing with a shortlist of potential acquirers for all or part of BICC
 - ✓ In addition, BICC is engaging in confidential discussions with its lenders, creditors, clients and other stakeholders
- ✓ After thorough evaluation of all available options, CIMIC has decided to exit the region and to focus its resources and capital allocation on growth opportunities in its main core markets and geographies (Australia, New Zealand and Asia Pacific)
- ✓ The decision was made in the context of an accelerated deterioration of market conditions in BICC's operating regions; as also reflected in CIMIC's increase in exposure to BICC in 2019 which included \$399m of funding
- ✓ Historic exposures have been disclosed in previous Half year and Full Year reports



Financial impact for CIMIC

- ✓ CIMIC has reassessed its financial exposure to BICC, consisting of shareholder loans, financial guarantees, call option and other non-material assets
- ✓ For the year end 31 December 2019, the Group has recognised provisions and asset impairments post-tax of \$1.8bn representing the Group's exposure in relation to BICC
- ✓ The aforementioned impact includes an expected cash outlay net of tax of around \$700m during 2020, as CIMIC's financial guarantees of certain BICC liabilities materialise
- ✓ CIMIC has committed facilities and cash of \$4.5bn available to meet all of CIMIC's obligations, including those relating to BICC, as required
- ✓ After the announcement to exit the Middle East, CIMIC's solid investment grade credit ratings were reaffirmed by Moody's (Baa2/Stable) and S&P (BBB/Stable/A-2)
- ✓ As a consequence of the one-off BICC impairment, no final dividend has been declared for 2019



* Previous years have been restated for the financial impact of AASB 9 and AASB 15, which came into effect from 1 January 2018. The adjustments have been applied using a consistent basis for previous years to ensure comparability between periods.

2019 Financial Overview

NPAT (excl. BICC)¹ of \$800m for FY19, up 3% YOY, statutory NPAT of \$(1.0)bn

- ✓ Revenue² of \$14.7bn, stable operating profit³, PBT and NPAT margins⁴ of 8.4%, 7.5% and 5.4% respectively (excl. BICC)
- ✓ One-off post tax impact of \$(1.8)bn relating to the Group's exposure in the non-controlling financial investment in BICC as a result of the decision to exit the Middle East region; statutory NPAT of \$(1.0)bn

Operating cash flow⁵ of \$1.7bn, no variation in factoring, 80% EBITDA cash conversion (excl. BICC)

- ✓ Operating cash flow up substantially by more than \$1.0bn YOY pre-factoring
- ✓ Delivered 80% EBITDA cash conversion (excl. BICC), factoring level unchanged
- ✓ Strict focus on managing working capital and generating sustainable cash-backed profits

\$832m of net cash⁶ and \$3.0bn of undrawn facilities

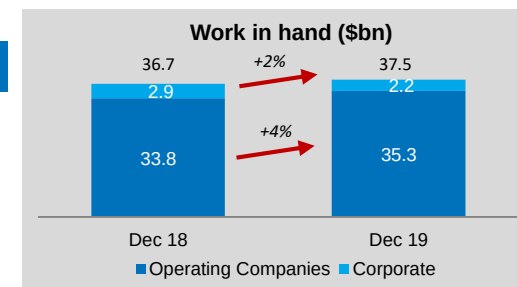
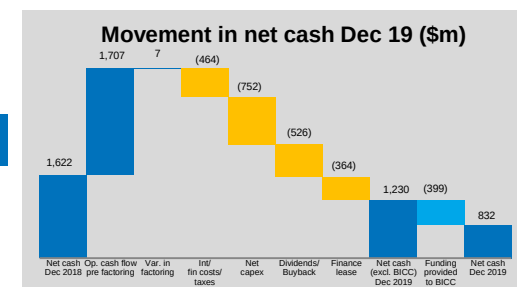
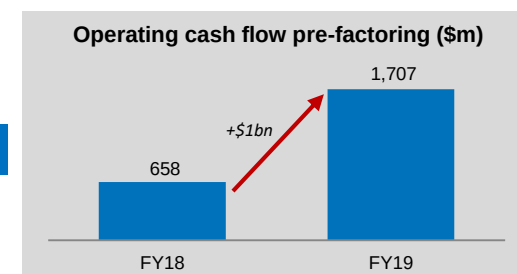
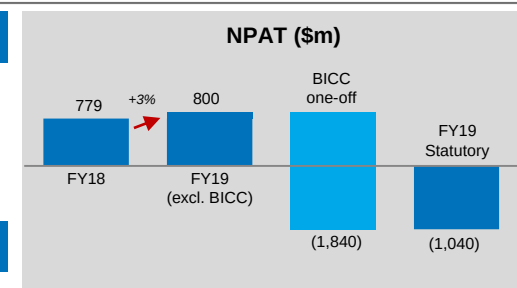
- ✓ Returned \$526m to shareholders in 2019 through dividends (\$509m) and share buyback (\$17m)
- ✓ Strong liquidity level further supported by undrawn debt facilities of \$3.0bn at the end of December 2019
- ✓ Solid investment grade credit ratings reaffirmed by Moody's (Baa2/Stable) and S&P (BBB/Stable/A-2) in January 2020, after the announcement to exit the Middle East
- ✓ CIMIC has not declared a final dividend for FY19 as a result of the one-off impairment to BICC

Work in hand⁷ of \$37.5bn, equivalent to more than two years' worth of revenue, provides good visibility

- ✓ Awarded new work⁸ of \$18.0bn in FY19; bidding discipline maintained
- ✓ \$160bn of tenders relevant to CIMIC to be bid and/or awarded in 2020, around \$380bn of projects are coming to the market in 2021 and beyond
- ✓ Pipeline includes around \$130bn worth of PPP opportunities identified for 2020 and beyond

FY20 NPAT guidance in the range of \$810m-\$850m, subject to market conditions

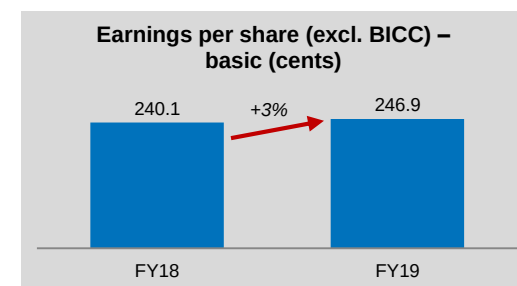
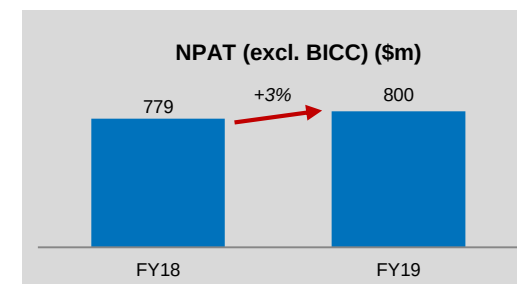
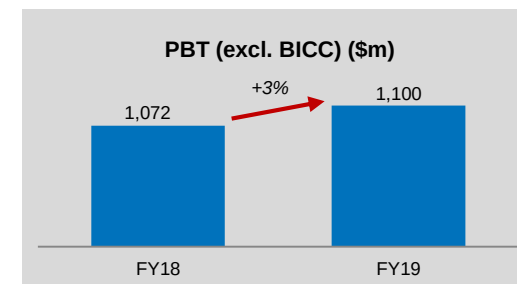
- ✓ Positive outlook across the Group's core markets supports guidance
- ✓ Mining market continues to strengthen; opportunities in Construction and Services boosted by strong PPP pipeline
- ✓ Disciplined focus on sustaining a strong balance sheet, generating cash, and a rigorous approach to tendering, project delivery and risk management



NPAT of \$800m (excl. BICC) for FY19, up 3% YOY

- ✓ Revenue² of \$14.7bn, stable operating profit³, PBT and NPAT margins⁴ of 8.4%, 7.5% and 5.4% respectively (excl. BICC)
- ✓ Implementation of “AASB 16 Leases” increased EBITDA and operating profit margins, as well as finance costs, when compared to previous periods⁹
- ✓ One-off post tax impact of \$(1.8)bn relating to the Group’s exposure in the financial investment in BICC as a result of the decision to exit the region; statutory NPAT of \$(1.0)bn

Financial performance (\$m)	FY18 ⁹	FY19	Chg. %	4Q18 ⁹	4Q19	Chg. %
Revenue	14,670.2	14,701.1	0.2%	3,975.2	3,976.0	-
EBITDA (excl. BICC)¹	1,900.8	2,146.7	12.9%	531.0	584.0	10.0%
<i>EBITDA margin (excl. BICC)</i>	<i>13.0%</i>	<i>14.6%</i>	<i>160bp</i>	<i>13.4%</i>	<i>14.7%</i>	<i>130bp</i>
D&A	(727.1)	(917.6)	26.2%	(205.6)	(231.9)	12.8%
Operating profit³	1,173.7	1,229.1	4.7%	325.4	352.1	8.2%
<i>Operating profit margin</i>	<i>8.0%</i>	<i>8.4%</i>	<i>40bp</i>	<i>8.2%</i>	<i>8.9%</i>	<i>70bp</i>
Net finance costs	(102.1)	(129.2)	26.5%	(26.6)	(33.8)	27.1%
Profit before tax (excl. BICC)¹	1,071.6	1,099.9	2.6%	298.8	318.3	6.5%
<i>PBT margin (excl. BICC)</i>	<i>7.3%</i>	<i>7.5%</i>	<i>20bp</i>	<i>7.5%</i>	<i>8.0%</i>	<i>50bp</i>
Income tax (excl. BICC) ¹	(299.9)	(297.0)	(1.0)%	(83.7)	(86.0)	2.7%
<i>Effective tax rate</i>	<i>28.0%</i>	<i>27.0%</i>	<i>(100)bp</i>	<i>28.0%</i>	<i>27.0%</i>	<i>(100)bp</i>
Non-controlling interests	6.8	(2.6)	-	0.5	(5.1)	-
NPAT (excl. BICC)¹	778.5	800.3	2.8%	215.6	227.2	5.4%
<i>NPAT margin (excl. BICC)</i>	<i>5.3%</i>	<i>5.4%</i>	<i>10bp</i>	<i>5.4%</i>	<i>5.7%</i>	<i>30bp</i>
EPS (basic) – NPAT (excl. BICC)	240.1c	246.9c	2.8%	66.5c	70.2c	5.6%
One-off BICC item ¹⁰		(1,840.2)				
NPAT		(1,039.9)				



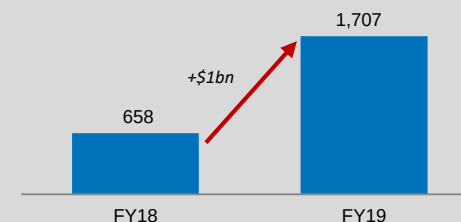
Operating cash flow of \$1.7bn, pre-factoring up \$1bn YOY

- ✓ Generated operating cashflow of \$1.7bn in FY19 and an 80% EBITDA cash conversion (excl. BICC) in FY19
- ✓ 50% approx. (\$904m) of full year operating cash flow generated in Q4 due to seasonality
- ✓ New alliance work with a different working capital profile and growth in Mining impacting the conversion rate
- ✓ Tax payments of \$351m driving increase in interest, finance costs and taxes
- ✓ Increased investment in capital expenditure to drive growth in Mining and to deliver job-costed tunnelling opportunities
- ✓ Strict focus on managing working capital and generating sustainable cash-backed profits

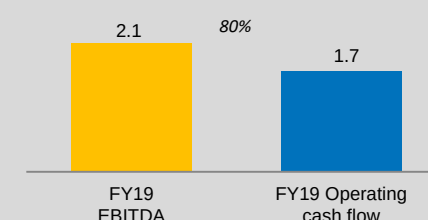
Cash flow (\$m)	FY18 ⁹	FY19	Chg. %	4Q18 ⁹	4Q19	Chg. %
Operating cash flow pre-factoring	658.4	1,707.0	-	363.8	912.4	-
Variation in factoring	1,395.0	7.3	(99.5)%	490.0	(8.7)	-
Operating cash flow⁵	2,053.4	1,714.3	(16.5)%	853.8	903.7	5.8%
Interest, finance costs and taxes	(150.4)	(463.8)	-	(41.2)	(225.6)	-
Net operating cash flow	1,903.0	1,250.5	(34.3)%	812.6	678.1	(16.6)%
Gross capital expenditure ¹¹	(547.4)	(774.4)	41.5%	(151.1)	(256.9)	70.0%
Gross capital proceeds ¹²	82.6	22.5	(72.8)%	69.7	5.7	(91.8)%
Net capital expenditure	(464.8)	(751.9)	61.8%	(81.4)	(251.2)	-
Free operating cash flow¹³	1,438.2	498.6	(65.3)%	731.2	426.9	(41.6)%

EBITDA conversion (\$m)	FY18 ⁹	FY19	Chg. %	4Q18 ⁹	4Q19	Chg. %
EBITDA (excl. BICC) (a)	1,900.8	2,146.7	12.9%	531.0	584.0	10.0%
Operating cash flow (b) ⁵	2,053.4	1,714.3	(16.5)%	853.8	903.7	5.8%
EBITDA conversion (excl. BICC) (b)/(a)	108%	80%		161%	155%	
Operating cash flow pre-factoring (c)	658.4	1,707.0	-	363.8	912.4	-
EBITDA conversion pre-factoring (excl. BICC) (c)/(a)	35%	80%		69%	156%	

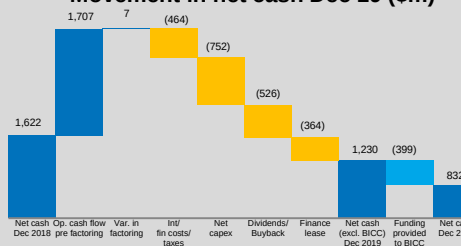
Operating cash flow pre-factoring (\$m)



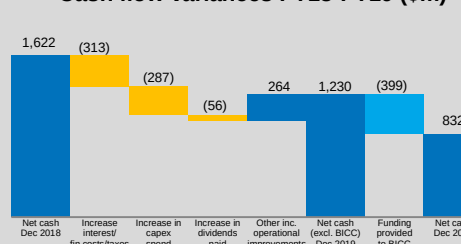
EBITDA conversion (excl. BICC) (\$bn)



Movement in net cash Dec 19 (\$m)



Cash flow variances FY18-FY19 (\$m)



\$832m of net cash and \$3.0bn of undrawn facilities

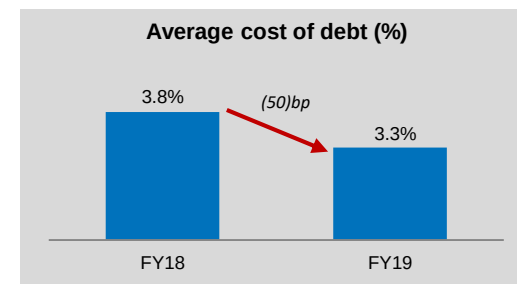
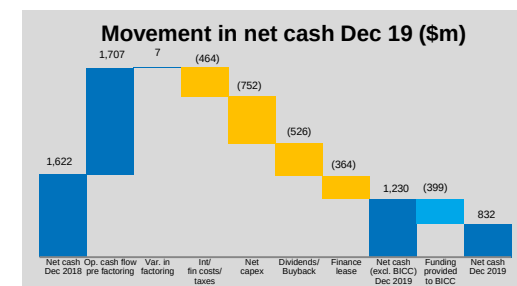
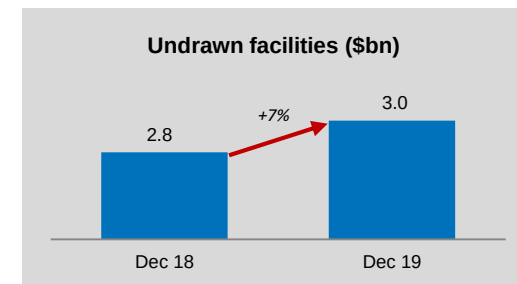
- ✓ Strong liquidity level further supported by undrawn debt facilities of \$3.0bn at the end of December 2019
- ✓ In Q319, the Group refinanced and expanded the \$1.9bn syndicated bank facility
- ✓ Solid investment grade credit ratings reaffirmed by Moody's (Baa2/Stable) and S&P (BBB/Stable/A-2) in January 2020 after the announcement to exit the Middle East reflecting balance sheet strength
- ✓ Net contract debtors increase reflects the growth in Mining and alliance construction projects in Australia
- ✓ \$675m contract debtors portfolio provision remains unchanged
- ✓ Factoring balance of \$1.96bn (\$1.953bn at December 2018), providing an efficient tool to manage liquidity
- ✓ Supply Chain Finance balance of \$851m (versus \$561m at 31 December 2018), providing liquidity benefits to suppliers and subcontractors with full recognition as trade payables in CIMIC's balance sheet
- ✓ Cost of debt down 50bp YOY to 3.3%

Net cash/(debt) (\$m)	Dec 2018	Dec 2019	BICC one-off ¹⁴	Dec 2019 (excl. BICC)
Cash and equivalent liquid assets ⁶	2,145.2	1,754.5	398.6	2,153.1
Gross debt	(522.8)	(922.9)	-	(922.9)
Net cash/(debt)⁶	1,622.4	831.6	398.6	1,230.2

Net contract debtors	Dec 2018	Dec 2019
Net contract debtors	1,098.9	1,285.7

Finance cost detail (\$m)	FY18	FY19
Debt interest expenses	(73.1)	(66.1)
Facility fees, bonding and other costs ¹⁵	(84.3)	(119.8)
Total finance costs	(157.4)	(185.9)
Interest income	55.3	56.7
Net finance costs¹⁶	(102.1)	(129.2)

Finance cost detail (\$m)	FY18	FY19
Debt interest expenses (a)	(73.1)	(66.1)
Gross debt ¹⁷ at period end	(522.8)	(922.9)
Gross debt period average (b)	1,938.7	2,018.4
Average cost of debt $(\frac{-a}{b})$	3.8%	3.3%



Work in hand of \$37.5bn, pipeline up by 26% YOY

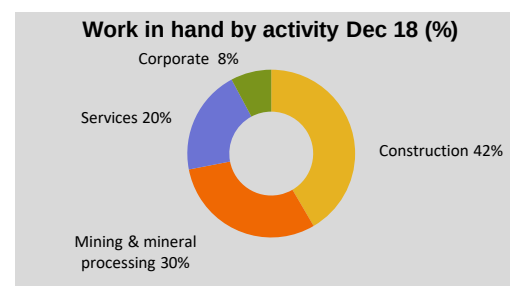
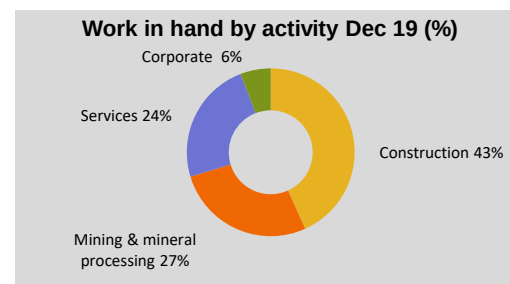
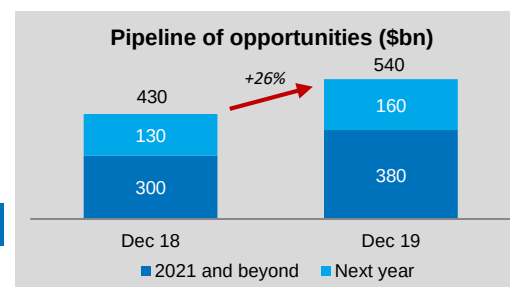
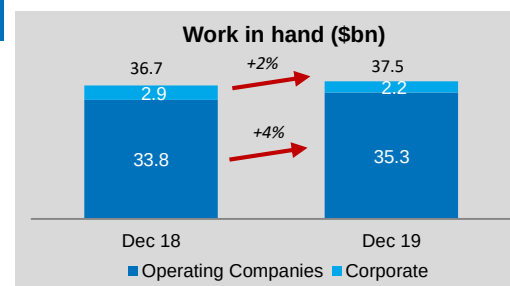
Work in hand⁷ of \$37.5bn, up 2% YOY, provides good visibility

- ✓ Awarded \$18.0bn of new work⁸ in FY19; disciplined bidding maintained
- ✓ Operating Companies' work in hand increased by nearly \$1.5bn YOY or 4% to \$35.3bn
- ✓ Numerous contracts awarded in 2H19, including:
 - Cross River Rail – Rail, Integration and Systems (RIS) Alliance contract, QLD
 - Sydney Metro – Pitt Street Station, NSW
 - Sydney Metro – City & Southwest PPP, NSW
 - Western Sydney Airport Bulk Earthworks Contract, NSW
 - Nepean Hospital Redevelopment, NSW
 - Campbelltown Hospital Project, NSW
 - M80 Ring Road Upgrade, VIC
 - North East Link Early Works Package, VIC
 - Yanchep Rail Extensions and the Thornlie-Cockburn Link Alliance contract as part of Metronet, WA
 - Monash Freeway Upgrade, VIC
 - Auckland International Airport Taxiway Mike and Remote Stands Stage 2, New Zealand
 - Sunbury Line Upgrade Alliance contract, VIC
 - Inner City South State Secondary College, QLD
 - Curragh mining extension, QLD
 - Various maintenance project services contracts across the rail and mining services sector, Australia

Pipeline of opportunities increased 26% YOY

- ✓ Relevant to CIMIC, at least \$160bn of tenders to be bid and/or awarded in 2020, and around \$380bn of projects are coming to the market in 2021 and beyond
- ✓ Pipeline includes around \$130bn of PPP opportunities identified for 2020 and beyond
- ✓ Some major projects that CIMIC is currently bidding include:
 - North East Link – Primary Package (Kempston Street to Southern Portal) PPP, VIC
 - Suburban Roads Upgrade PPPs, VIC
 - Western Harbour Tunnel and Waringah Freeway Upgrade, NSW
 - Sydney Metro West – Tunnels and Excavation package/s, NSW
 - M6 Stage 1 (Arncliffe to Kogarah), NSW
 - Inland Rail (Gowrie to Kagaru section) PPP, QLD
 - Auckland Light Rail Stage 1, New Zealand
 - Packages of the Jurong Regional Line (stations and viaducts), Singapore
 - Numerous mining and processing opportunities in Australia and South America

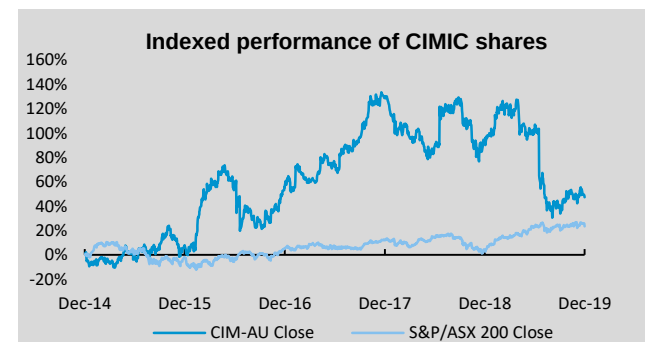
Work in hand (\$m) as at	Dec 18	Dec 19	Chg. \$	Chg. %
Construction	15,254	16,229	975	6.4%
Mining & mineral processing	11,159	10,143	(1,016)	(9.1)%
Services	7,420	8,944	1,524	20.5%
Operating Companies' work in hand	33,833	35,316	1,483	4.4%
Corporate ¹⁸	2,873	2,195	(678)	(23.6)%
Total work in hand	36,706	37,511	805	2.2%



Shareholder returns and FY20 guidance

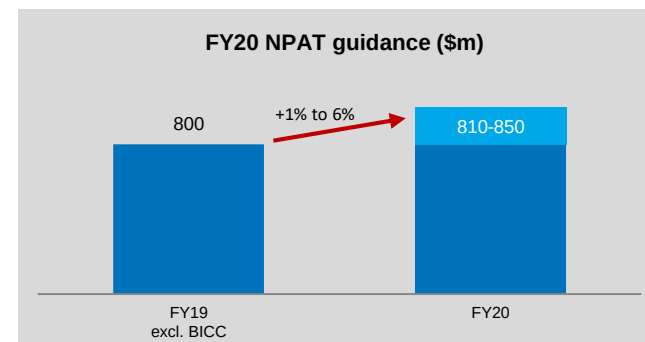
Dividends and buyback

- ✓ Returned \$526m to shareholders through dividends (\$509m) and share buyback (\$17m) in FY19, over \$2.5bn of cash remitted to shareholders since 2015
- ✓ During the same period the share price has increased 47.3%, from \$22.50 to \$33.14
- ✓ Paid an ordinary interim dividend of 71.0 cents per share, up 1.4% YOY, fully franked, on 3 October 2019
- ✓ Repurchased 527,341 shares at an average price of \$31.67 during the year
- ✓ CIMIC has not declared a final dividend for FY19 as a result of the one-off impairment to BICC



FY20 NPAT guidance in the range of \$810m-\$850m, subject to market conditions

- ✓ Positive outlook across the Group's core markets supports guidance
- ✓ Mining market continues to strengthen; opportunities in Construction and Services boosted by strong PPP pipeline
- ✓ Disciplined focus on sustaining a strong balance sheet, generating cash, and a rigorous approach to tendering and project delivery



APPENDICES



Financial Overview

Financial performance (\$m)	FY18 ⁹	FY19	Chg. \$	Chg. %
Revenue	14,670.2	14,701.1	30.9	0.2%
EBITDA (excl. BICC)¹	1,900.8	2,146.7	245.9	12.9%
<i>EBITDA margin (excl. BICC)</i>	<i>13.0%</i>	<i>14.6%</i>	<i>160bp</i>	
Operating profit³	1,173.7	1,229.1	55.4	4.7%
<i>Operating profit margin</i>	<i>8.0%</i>	<i>8.4%</i>	<i>40bp</i>	
Profit before tax (excl. BICC)¹	1,071.6	1,099.9	28.3	2.6%
<i>PBT margin (excl. BICC)</i>	<i>7.3%</i>	<i>7.5%</i>	<i>20bp</i>	
NPAT (excl. BICC)¹	778.5	800.3	21.8	2.8%
<i>NPAT margin (excl. BICC)</i>	<i>5.3%</i>	<i>5.4%</i>	<i>10bp</i>	
EPS (basic) – NPAT (excl. BICC)	240.1c	246.9c	6.8c	2.8%
One-off BICC item ¹⁰	-	(1,840.2)		
NPAT	778.5	(1,039.9)		
<i>NPAT margin</i>	<i>5.3%</i>	<i>(7.1)%</i>		
EPS (basic) – NPAT	240.1c	(320.9)c		
Financial position (\$m)	Dec 18	Dec 19	Chg. \$	Chg. %
Net cash/(debt)	1,622.4	831.6	(790.8)	(48.7)%
One-off BICC item ¹⁴	-	398.6	398.6	-
Net cash/(debt) (excl. BICC)⁶	1,622.4	1,230.2	(392.2)	(24.2)%
Lease liabilities ⁹	(908.9)	(902.1)	6.8	(0.7)%
Net cash/(debt) (incl. leases, excl. BICC)	713.5	328.1	(385.4)	(54.0)%
Net contract debtors	1,098.9	1,285.7	186.8	17.0%
Cash flows (\$m)	FY18 ⁹	FY19	Chg. \$	Chg. %
Operating cash flow	2,053.4	1,714.3	(339.1)	(16.5)%
Interest, finance costs and taxes	(150.4)	(463.8)	(313.4)	-
Net operating cash flow	1,903.0	1,250.5	(652.5)	(34.3)%
Gross capital expenditure	(547.4)	(774.4)	(227.0)	41.5%
Gross capital proceeds	82.6	22.5	(60.1)	(72.8)%
Net capital expenditure	(464.8)	(751.9)	(287.1)	61.8%
Free operating cash flow	1,438.2	498.6	(939.6)	(65.3)%
Work in hand (\$m)	Dec 18	Dec 19	Chg. \$	Chg. %
Work in hand beginning of period	36,009.9	36,706.1	696.2	1.9%
New work	17,949.0	18,011.7	62.7	0.3%
Executed work	(17,252.8)	(17,207.1)	45.7	(0.3)%
Total work in hand end of period	36,706.1	37,510.7	804.6	2.2%

Statement of financial performance

Key figures (\$m)	FY18 ⁹	FY19	Chg. \$	Chg. %
Revenue	14,670.2	14,701.1	30.9	0.2%
Expenses	(13,555.0)	(13,538.7)	16.3	(0.1)%
Share of profit/(loss) of joint ventures and associates	58.5	66.7	8.2	14.0%
Operating profit³	1,173.7	1,229.1	55.4	4.7%
<i>Operating profit margin</i>	<i>8.0%</i>	<i>8.4%</i>	<i>40bp</i>	
Net finance costs	(102.1)	(129.2)	(27.1)	26.5%
Profit before tax (excl. BICC)¹	1,071.6	1,099.9	28.3	2.6%
<i>PBT margin (excl. BICC)</i>	<i>7.3%</i>	<i>7.5%</i>	<i>20bp</i>	
Income tax (excl. BICC)	(299.9)	(297.0)	2.9	(1.0)%
Profit for the year (excl. BICC) ¹	771.7	802.9	31.2	4.0%
Non-controlling interests	6.8	(2.6)	(9.4)	-
NPAT (excl. BICC)¹¹	778.5	800.3	21.8	2.8%
<i>NPAT margin (excl. BICC)</i>	<i>5.3%</i>	<i>5.4%</i>	<i>10bp</i>	
EPS (basic) – NPAT (excl. BICC)	240.1c	246.9c	6.8c	2.8%
One-off BICC item ¹⁰	-	(1,840.2)		
NPAT	778.5	(1,039.9)		
<i>NPAT margin</i>	<i>5.3%</i>	<i>(7.1)%</i>		
EPS (basic) - NPAT	240.1c	(320.9)c		

Segment performance

Segment Revenue (\$m)	FY18	FY19	Chg. \$	Chg. %
Construction	7,965.2	7,532.1	(433.1)	(5.4)%
Mining & mineral processing	3,966.9	4,496.9	530.0	13.4%
Services	2,676.5	2,626.4	(50.1)	(1.9)%
Corporate	61.6	45.7	(15.9)	(25.8)%
Revenue	14,670.2	14,701.1	30.9	0.2%

Segment PBT (excl. BICC) (\$m)	FY18 ⁹	FY19	Chg. \$	Chg. %
Construction	621.7	470.4	(151.3)	(24.3)%
Mining & mineral processing	428.5	603.4	174.9	40.8%
Services	161.0	154.7	(6.3)	(3.9)%
Corporate	(139.6)	(128.6)	11.0	(7.9)%
PBT (excl. BICC)	1,071.6	1,099.9	28.3	2.6%

Strong performance in core businesses

Construction

- ✓ Revenue reflects a decline in the Hong Kong construction activities, partially offset by substantial contributions from the Australian transport infrastructure market
- ✓ PBT reflects both the trends in revenue and lower risk project mix in delivery

Mining & mineral processing

- ✓ A number of contract extensions, increased production levels and contributions from a diverse range of mining and mineral processing contracts helped deliver robust revenue growth
- ✓ Continued focus on leveraging efficiencies and creating value for clients contributed to an expanded PBT margin

Services

- ✓ The Group sustained its competitive position in the operations and maintenance service market
- ✓ Margins were steady with ongoing revenue development contributing to this result

Corporate

- ✓ The FY19 corporate segment mainly includes contributions from Corporate, EIC Activities, Pacific Partnerships and the Commercial & Residential business

Statement of cash flows

Key figures (\$m)	FY18 ⁹	FY19	Chg. \$	Chg. %
Operating cash flow⁵	2,053.4	1,714.3	(339.1)	(16.5)%
Interest, finance costs and taxes	(150.4)	(463.8)	(313.4)	-
Net operating cash flow	1,903.0	1,250.5	(652.5)	(34.3)%
Payments for intangibles	(5.4)	(15.4)	(10.0)	-
Payments for property, plant and equipment	(547.4)	(774.4)	(227.0)	41.5%
Payments for investments in controlled entities and businesses	(22.7)	(14.0)	8.7	(38.3)%
Proceeds from sale of property, plant and equipment	82.6	22.5	(60.1)	(72.8)%
Proceeds from sale of investments	1.2	-	(1.2)	-
Cash acquired from acquisition of investments in controlled entities and businesses	0.7	18.0	17.3	-
Payments for investments	(53.1)	(29.1)	24.0	(45.2)%
Loan to associates and joint ventures	(1.1)	-	1.1	-
Net cash from investing activities (excl. BICC)	(545.2)	(792.4)	(247.2)	45.3%
One-off BICC item ¹⁴	-	(398.6)	(398.6)	-
Net cash from investing activities	(545.2)	(1,191.0)	(645.8)	-
Cash payments for share buyback	-	(16.7)	(16.7)	-
Net proceeds/(repayment) of borrowings	(427.9)	390.0	817.9	-
Repayment of leases	(191.8)	(320.0)	(128.2)	66.8%
Dividends paid to shareholders of the Company	(470.2)	(509.1)	(38.9)	8.3%
Dividends paid to non-controlling interests	-	(4.2)	(4.2)	-
Net cash from financing activities	(1,089.9)	(460.0)	629.9	(57.8)%

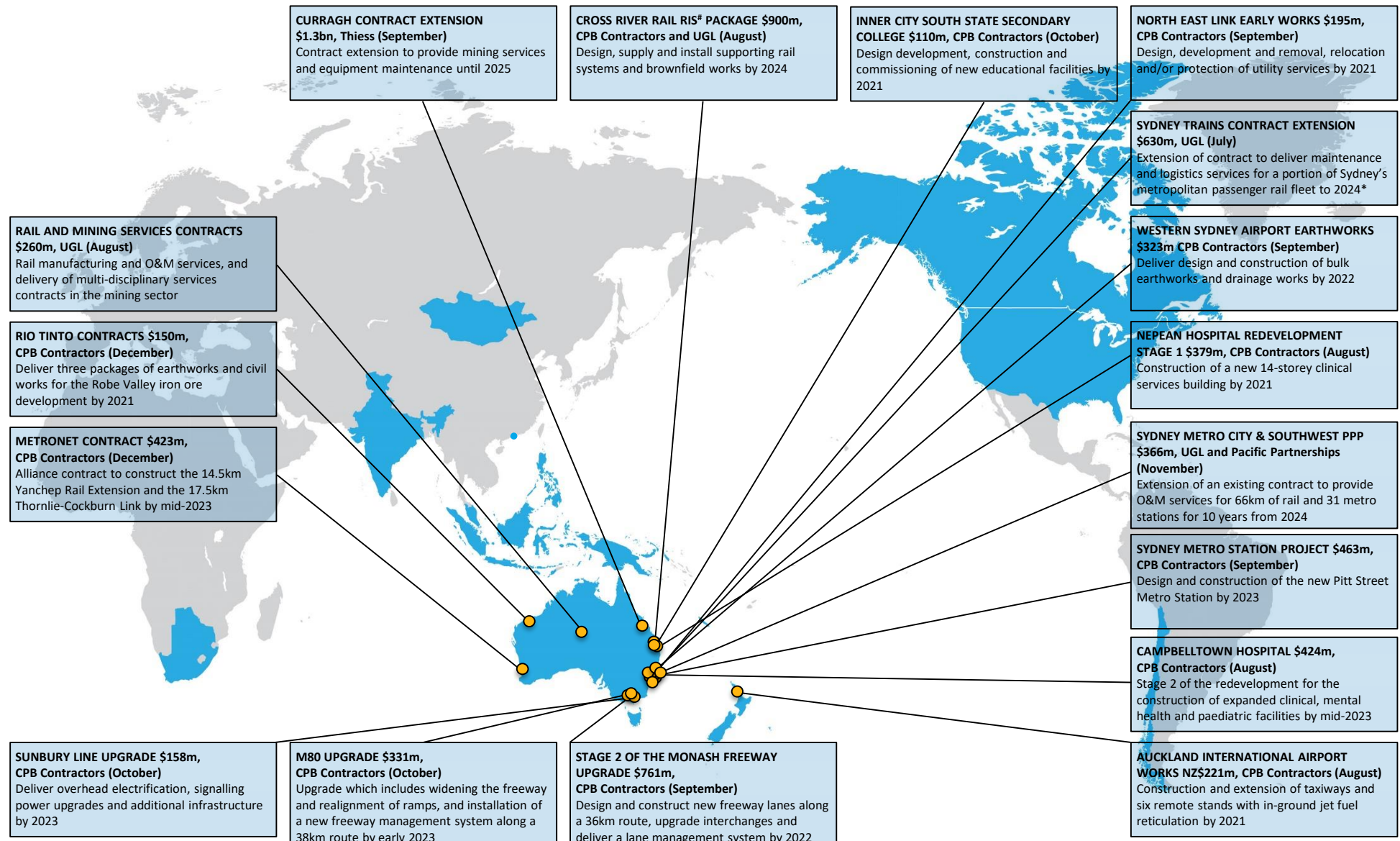
Statement of financial position – assets

Assets (\$m)	Dec 2018 ⁹	Dec 2019	Chg. \$	Chg. %	Composition
Current assets					Current assets:
Cash and cash equivalents	2,141.7	1,750.0	(391.7)	(18.3)%	✓ Cash and cash equivalents: Cash and cash equivalents was \$1,750.0m at 31 December 2019
Short term financial assets and investments	3.5	4.5	1.0	28.6%	✓ Short term financial assets and investments: Includes liquid assets converted or readily convertible to cash subsequent to year end
Trade and other receivables	3,122.1	3,554.4	432.3	13.8%	✓ Trade and other receivables: Includes contract debtors, sundry debtors, joint venture and other receivables
Inventories: consumables and development properties	315.1	400.1	85.0	27.0%	✓ Inventories: consumables and development properties: Includes job-costed inventories held for large infrastructure projects and commercial & residential assets
Assets held for sale	1.5	-	(1.5)	-	
Total current assets	5,583.9	5,709.0	125.1	2.2%	
Non-current assets					Non-current assets:
Trade and other receivables	777.6	130.4	(647.2)	(83.2)%	✓ Investments accounted for using the equity method: Equity accounted investments include project-related associates and joint ventures and PPP projects
Inventories: development properties	111.1	114.9	3.8	3.4%	✓ Deferred tax assets: Increase relates to the one-off item in relation to BICC
Investments accounted for using the equity method	136.6	250.5	113.9	83.4%	✓ Property, plant and equipment: Additions to property, plant and equipment during the year included investment in job-costed tunnelling machines for major road and rail projects, and ongoing investment in mining equipment
Other investments	105.4	112.2	6.8	6.5%	
Deferred tax assets	69.6	1,025.2	955.6	-	
Property, plant and equipment	2,068.1	2,279.1	211.0	10.2%	
Intangibles	1,093.5	1,104.4	10.9	1.0%	
Total non-current assets	4,361.9	5,016.7	654.8	15.0%	
Total assets	9,945.8	10,725.7	779.9	7.8%	

Statement of financial position – liabilities and equity

Liabilities and equity (\$m)	Dec 2018 ⁹	Dec 2019	Chg. \$	Chg. %	Composition
Current liabilities					Current and non-current liabilities:
Trade and other payables	5,669.7	6,024.6	354.9	6.3%	✓ Trade and other payables: Includes contract liabilities, trade creditors and accruals, joint venture payables and other creditors
Current tax liabilities	68.4	60.3	(8.1)	(11.8)%	✓ Provisions: Relates to wages and salaries, annual leave, long service leave, retirement benefits and deferred bonuses
Provisions	326.0	327.2	1.2	0.4%	
Financial liability	-	1,483.4	1,483.4	-	✓ Financial liability: Relates to the Group's exposure to financial guarantees in respect of BICC
Interest bearing liabilities	50.7	164.3	113.6	-	✓ Interest bearing liabilities: Current and non-current interest bearing liabilities amounted to \$922.9m at 31 December 2019
Lease liabilities	279.2	277.8	(1.4)	(0.5)%	✓ Lease liabilities: Represents the Group's portfolio of leased assets made up by property, plant, mining equipment and vehicles utilised by the Group
Total current liabilities	6,394.0	8,337.6	1,943.6	30.4%	
Non-current liabilities					
Trade and other payables	82.0	200.8	118.8	-	
Provisions	62.4	60.5	(1.9)	(3.0)%	
Interest bearing liabilities	472.1	758.6	286.5	60.7%	
Lease liabilities	629.7	624.3	(5.4)	(0.9)%	
Deferred tax liabilities	19.4	20.9	1.5	7.7%	
Total non-current liabilities	1,265.6	1,665.1	399.5	31.6%	
Total liabilities	7,659.6	10,002.7	2,343.1	30.6%	
Equity	2,286.2	723.0	(1,563.2)	(68.4)%	
One-off BICC item ¹⁰	-	1,840.2	1,840.2	-	
Equity (excl. BICC)	2,286.2	2,563.2	277.0	12.1%	

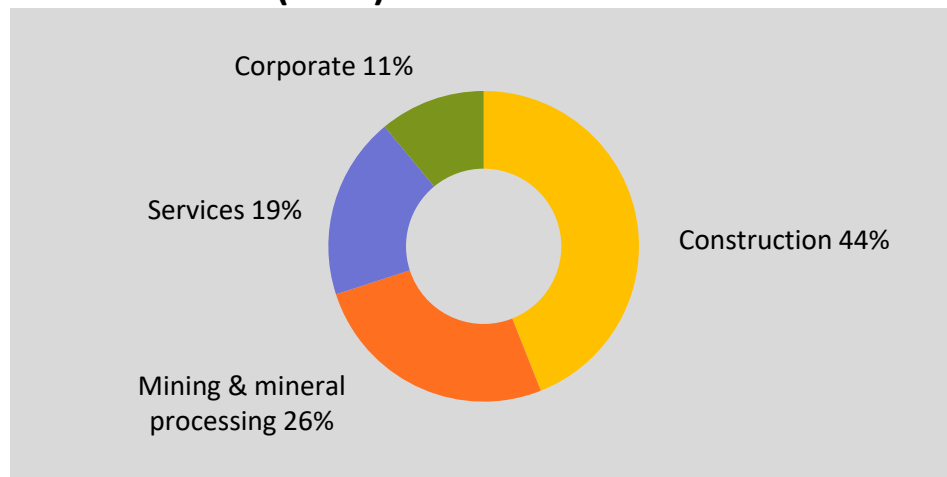
Selected project wins during 2H19



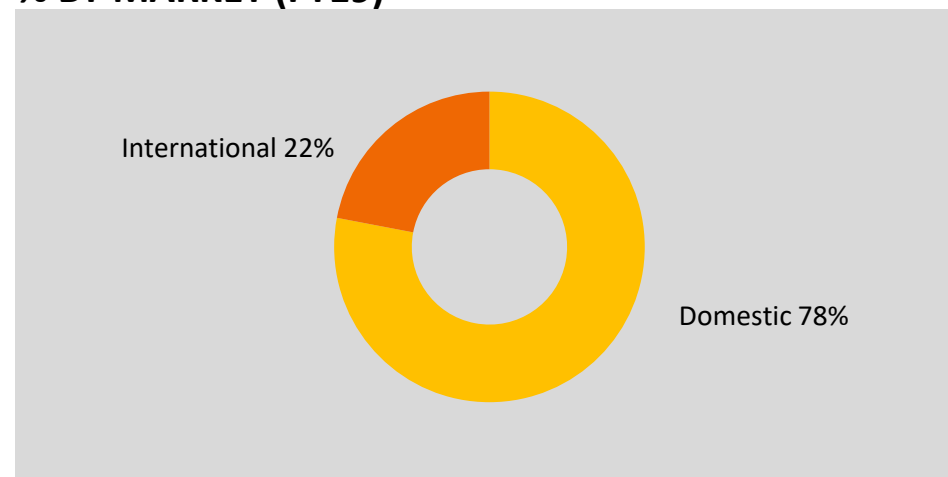
*RIS – Rail, Integration and Systems *Replaces and expands a contract announced in January 2019

Group revenue by activity and market

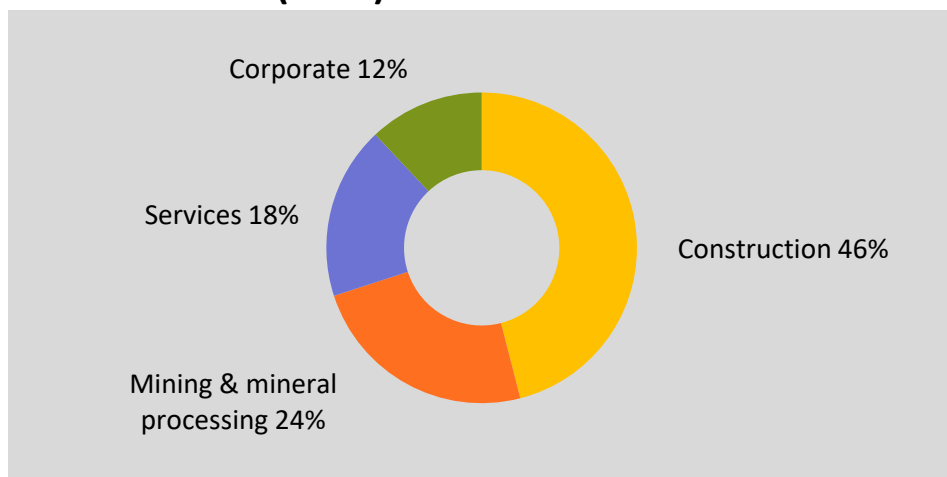
% BY ACTIVITY (FY19)



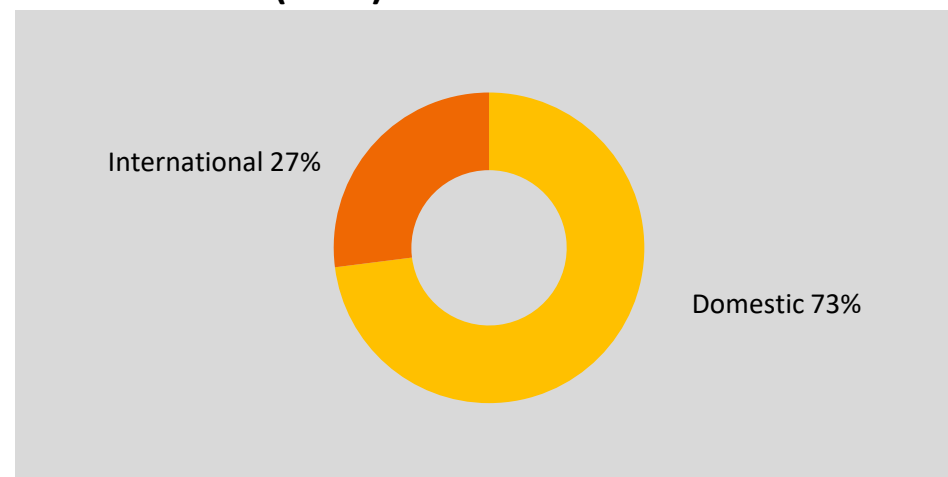
% BY MARKET (FY19)



% BY ACTIVITY (FY18)

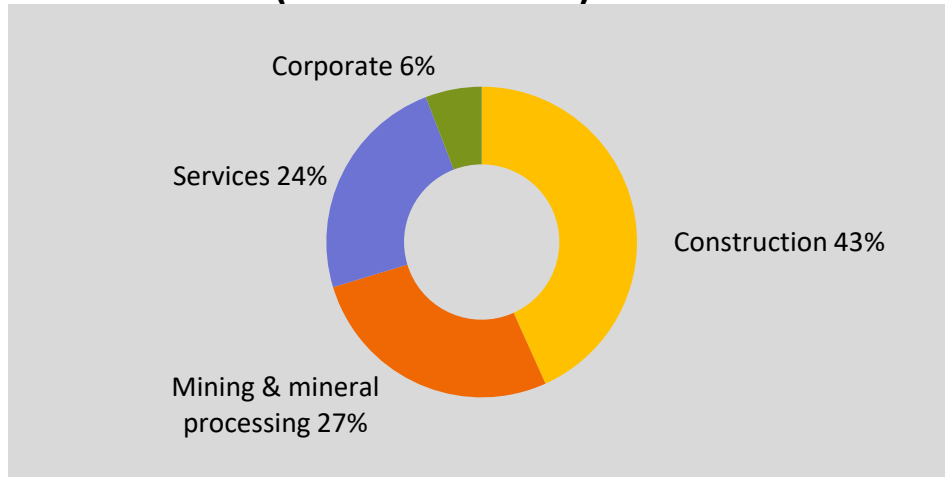


% BY MARKET (FY18)

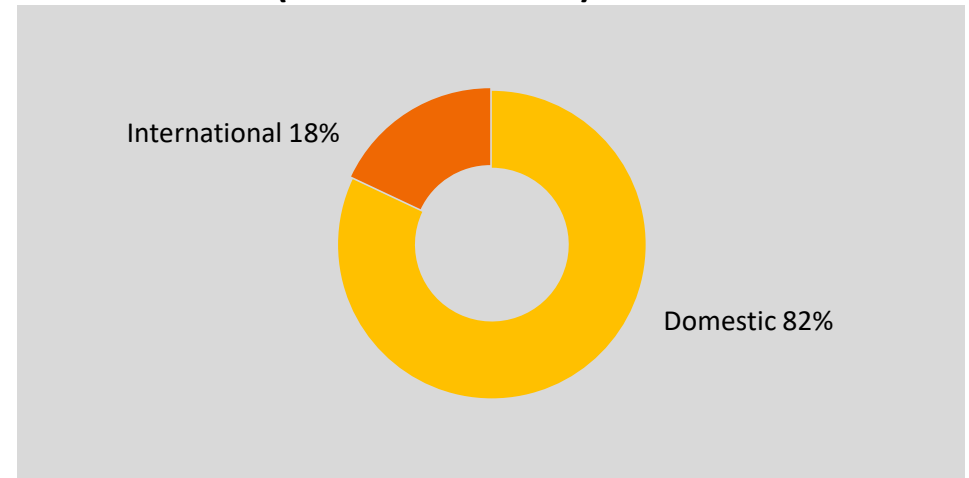


Work in hand by activity and market

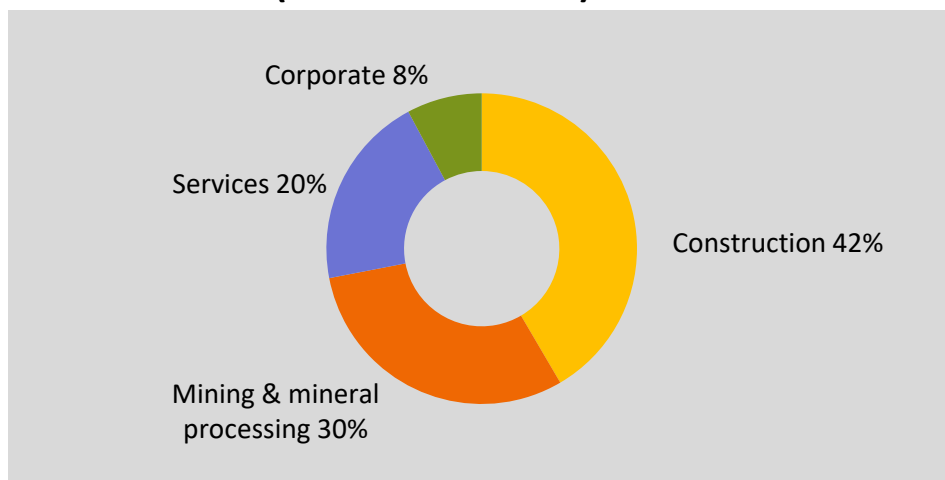
% BY ACTIVITY (DECEMBER 2019)



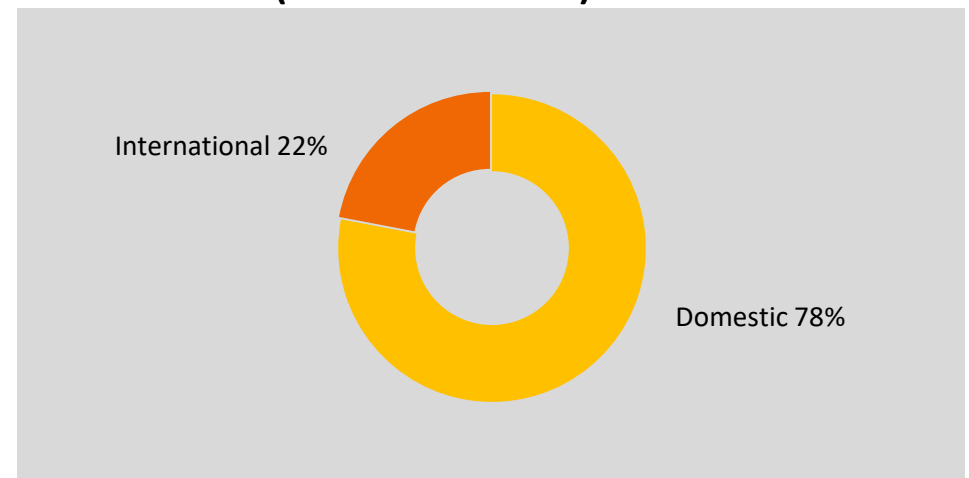
% BY MARKET (DECEMBER 2019)



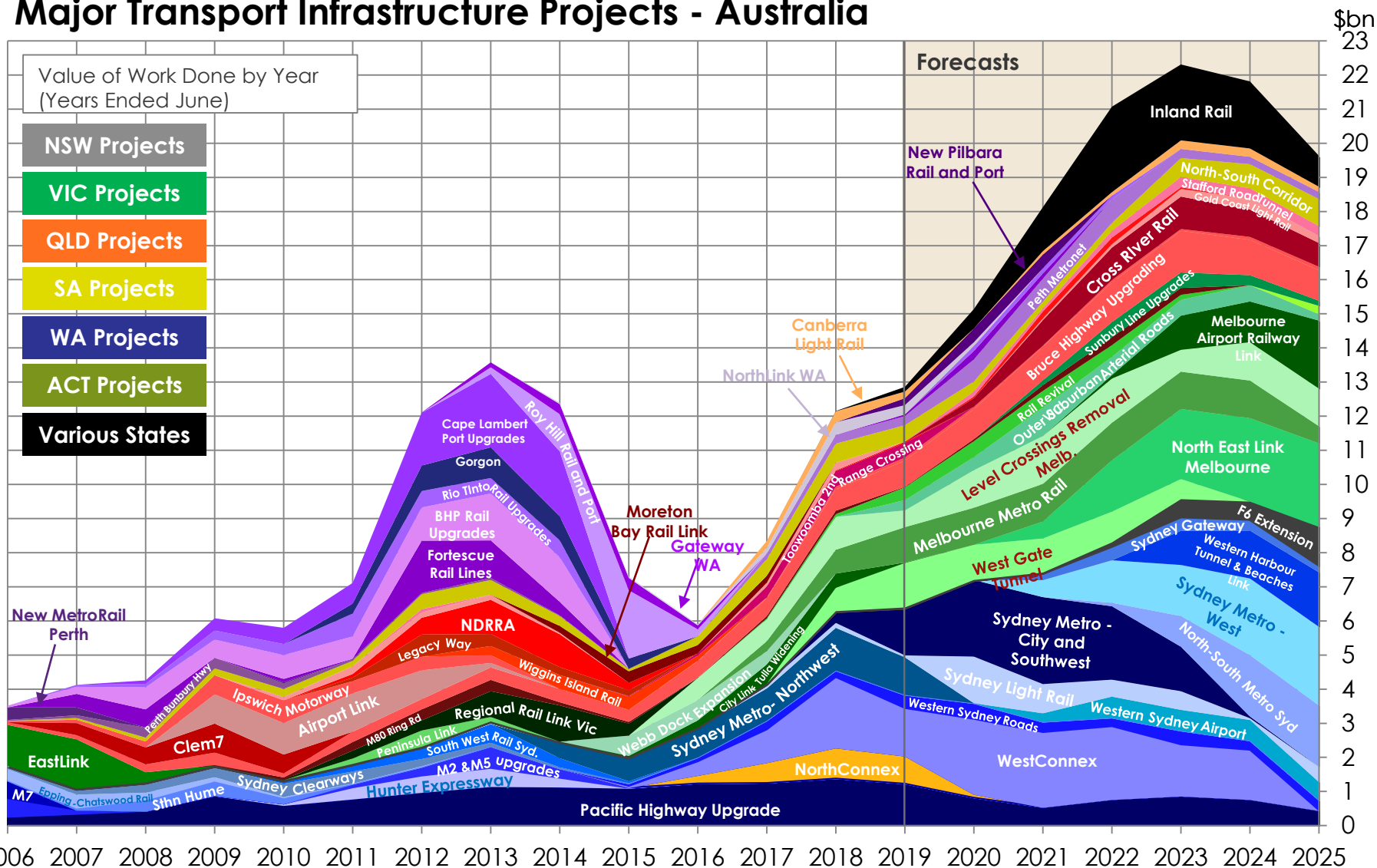
% BY ACTIVITY (DECEMBER 2018)



% BY MARKET (DECEMBER 2018)



Major Transport Infrastructure Projects - Australia



Source: Macromonitor, December 2019



CIMIC GROUP is an engineering-led construction, mining, services and public private partnerships leader with a history dating back to 1899. We are a family of industry leaders integrating a world of experience and expertise to drive insight, develop future-ready solutions and deliver enduring value across the lifecycle of assets, infrastructure and resources projects.

CONSTRUCTION



CPB CONTRACTORS is a leading international construction contractor with operations spanning Australia, New Zealand, Asia, India and Papua New Guinea. The team delivers major projects spanning all key sectors of the construction industry, including roads, rail, tunnelling, defence, building and resources infrastructure. Working closely with clients and partners, including Pacific Partnerships, our projects connect communities, play a key role in urban and rural development, help drive economic growth, and provide vital, long-term infrastructure. CPB Contractors combines the design and construction expertise and track record formerly delivered by Leighton Contractors and Thies in Australia and New Zealand.



CPB Contractors includes the people and projects of **LEIGHTON ASIA**, the contractor behind some of Asia's most complex and high-profile infrastructure projects. It also includes **BROAD** - a leading managing contractor in the Australian building industry delivering diverse commercial construction projects.



THIESS partners with its clients to deliver excellence in open cut and underground mining in Australia, Asia, Africa and the Americas. For more than 80 years, Thies has operated in diverse commodities, geologies, environments and cultures. The team uses that insight to optimise solutions for every project, creating real advantages specific to each mine's unique challenges and opportunities. They work with clients to position their operations for optimal efficiency, productivity and cost performance. Expertise and solutions are then brought to life by how Thies meets its commitments. Sustainable and profitable resource recovery stems from that certainty to create lasting value.

MINING



SEDGMAN is a market leader in the design, construction and operation of mineral processing plants and associated mine site infrastructure. With a track record in successful project and operations delivery, Sedgman is focused on realising value for clients through excellence in engineering and innovative solutions. From pre-feasibility and commissioning, to operations, the team has completed close to 200 processing and materials handling projects in diverse and remote locations globally. The team overcomes complex challenges to unlock the full potential of diverse commodities across base and precious metals, industrial minerals, coal and iron ore, delivering outcomes that exceed expectation, on time and on budget.

SERVICES



UGL is a market leader in end-to-end asset solutions. The team's whole-of-life offer delivers operational value and enhanced customer experiences for critical assets in power, water, resources, transport, defence and security, and social infrastructure. Its services-led approach supports real business needs, now and into the future, by connecting clients with leading thinking across all stages of a project's lifecycle. UGL maximises solutions, delivery and end performance, spanning engineering design; construction and commissioning; manufacturing; operations, maintenance and facilities management; upgrades and overhauls; and asset management. Clients minimise interface risk while optimising quality, time and cost outcomes.

PUBLIC PRIVATE PARTNERSHIPS



PACIFIC PARTNERSHIPS develops, invests in and manages social and economic infrastructure concession assets, leveraging CIMIC Group's financial strength and diverse capabilities. The team's project development, technical, commercial and finance expertise transform into seamless, value-for-money solutions for clients. This spans the finance, design, construction, and long-term operations and maintenance of key infrastructure under public private partnership and build own operate transfer structures. Pacific Partnerships is a proactive, collaborative partner to clients, infrastructure users, investors and lenders, building on a corporate history responsible for delivering more than 30 PPPs valued at more than \$60 billion.

ENGINEERING



EIC ACTIVITIES is CIMIC Group's engineering and technical services business, providing a competitive advantage for winning and delivering profitable projects that generate value for clients. Leading innovation, EIC Activities provides all operating companies with access to the Group's collective experience, technical capabilities and leading technology applications. This continually strengthens the Group by challenging and optimising technical solutions through collaboration and knowledge sharing. EIC Activities brings engineering experts, technical solutions, lean practices and global industry developments - equipping tender and project teams with more levers to innovate, mitigate risk, improve efficiency and drive performance.

OTHER INVESTMENTS



59.1%



46.9%

Group market position



F/X rates

End of the period	Dec 2018	Dec 2019	Chg. \$	Chg. %
AUD/USD	0.71	0.70	(0.01)	(1.4)%
AUD/EUR	0.63	0.63	-	-
Period average	FY18	FY19	Chg. \$	Chg. %
AUD/USD	0.74	0.69	(0.05)	(6.8)%
AUD/EUR	0.63	0.62	(0.01)	(1.6)%

¹Excludes the one-off item in respect of the provisions and asset impairments of the Group's financial investment in BICC and exit from the Middle East region in 2019. Refer to slide 2 for further detail

²Revenue excludes revenue from joint ventures and associates of \$2,506.0m (FY18: \$2,582.6m)

³Operating profit is EBIT adjusted for the one-off item in respect of the provisions and asset impairment of the Group's financial investment in BICC and exit from the Middle East region

⁴Margins are calculated on revenue which excludes revenue from joint ventures and associates. Margins excluding BICC are calculated as the net of the one-off item in respect of the provisions and asset impairments of the Group's financial investment in BICC and exit from the Middle East region

⁵Operating cash flow includes cash flow from operating activities and changes in short term financial assets and investments before interest, finance costs and taxes

⁶Net cash/(debt) includes cash and equivalent liquid assets (which includes cash, cash equivalents and short term financial assets and investments)

⁷WIH includes CIMIC's share of work in hand from joint ventures and associates

⁸New work includes new contracts and contract extensions and variations, including the impact of foreign exchange rate movements

⁹Restated for the impact of AASB16, the new leasing standard, effective for CIMIC Group onwards from 1 January 2019, and applied retrospectively during 2018. A practical expedient was utilised in applying the standard, certain leases which expired in the period of transition and were therefore not a lease on the date of transition were not required to be restated. As a result certain operating costs were not reclassified to depreciation and interest, hence the full AASB16 impact is not reflected in the transitional previous year's restatement

¹⁰One-off relates to the provisions and asset impairments (net of tax) of the Group's financial investment in BICC and exit from the Middle East region

¹¹Gross capital expenditure is payments for property, plant and equipment

¹²Gross capital proceeds are proceeds received from the sale of property, plant and equipment

¹³Free operating cash flow is defined as net operating cash flow less net capital expenditure for property, plant and equipment

¹⁴During 2019, \$398.6m was funded to BICC

¹⁵Relates to the \$3.2bn of working capital facilities of which \$3.0bn is undrawn at 31 December 2019 and bank bonding commitment fees

¹⁶Net finance costs include interest income and finance costs

¹⁷Total interest bearing liabilities

¹⁸Corporate work in hand includes work in hand from CIMIC's share of investments of Ventia

Definitions

- ✓ 1Q18, 2Q18, 3Q18 & 4Q18 – Three months to March 2018, June 2018, September 2018 and December 2018 respectively
- ✓ 1Q19, 2Q19, 3Q19 & 4Q19 – Three months to March 2019, June 2019, September 2019 and December 2019 respectively
- ✓ 2H19 – Second half year from July to December 2019
- ✓ bn – Billion
- ✓ bp – Basis points
- ✓ cps – Cents per share
- ✓ D&A – Depreciation and amortisation
- ✓ EBIT – Earnings before net finance costs and tax
- ✓ EBITDA – Earnings before net finance costs, tax, depreciation and amortisation
- ✓ EPS – Earnings per share (basic)
- ✓ Excl - excluding
- ✓ FY – Full year from January to December
- ✓ HY – Half year from January to June
- ✓ LTM – Last 12 months
- ✓ m – Million
- ✓ NPAT – Net profit after tax
- ✓ PBT – Profit before tax
- ✓ PPP – Public Private Partnership
- ✓ WIH – Work in hand
- ✓ YOY – Year on year

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