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22 February 2016

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

RE: CIMIC TAKEOVER OF SEDGMAN – DEDUCTION OF DIVIDEND FROM PRICE

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

LOUISE GRIFFITHS
Company Secretary

22 FEBRUARY 2016

CIMIC TAKEOVER OF SEDGMAN – DEDUCTION OF DIVIDEND FROM PRICE

Market announcement under subrule 6.2.1(2) of the ASIC Market Integrity Rules

On 13 January 2016, CIMIC announced an off-market takeover bid (Offer) for all of the shares it does not own in Sedgman Limited (Sedgman) made by its wholly owned subsidiary CIMIC Group Investments Pty Limited (CGI) for offer price of \$1.07 per Sedgman share less the value of any dividend declared by Sedgman during the offer period.

CGI currently owns approximately 47.75% in Sedgman.

Offer price adjustment as a result of Sedgman dividends

On 11 February 2016, the Sedgman Board announced the payment of a fully franked 3.5 cents per share interim dividend and a fully franked 8.8 cents per share special dividend, being a total of 12.3 cents per share (Dividends). The relevant dates for the Dividends are:

- **Ex Date** – Tuesday, 23 February 2016
- **Record Date** – Thursday, 25 February 2016
- **Payment Date** – Monday, 7 March 2016

As such, the offer price under CGI's Offer will be reduced by the amount of the Dividends to 94.7 cents per Sedgman share in relation to all Sedgman shares on issue at the Record Date. The reduced amount of 94.7 cents per Sedgman share, in relation to all Sedgman shares on issue at the Record Date, will be paid to Sedgman shareholders whose acceptance of CGI's Offer is received on or after the Ex Date of Tuesday, 23 February 2016 and until the end of the Offer.

CGI appointed Credit Suisse Equities (Australia) Limited (Credit Suisse) to stand in the market on ASX and purchase on CGI's behalf any Sedgman shares offered at or below the offer price.

For the purposes of subrule 6.2.1(2) of the *ASIC Market Integrity Rules (ASX Market) 2010*, CGI announces that, on and from the Ex Date and until the Offer period ends, CGI will instruct Credit Suisse to stand in the market on ASX and purchase on CGI's behalf any Sedgman shares offered at or below a price of 94.5 cents per Sedgman share¹.

This new price for on-market purchases reflects the ex dividend trading in Sedgman shares and is different to the price of 94.7 cents per Sedgman share payable under CGI's Offer because buy orders can only be entered on-market with 0.25 cent increments.

Recommendation from Sedgman Independent Board Committee

On 11 February 2016, Sedgman released its Target Statement, which unanimously recommended that Sedgman shareholders **ACCEPT** the Offer by CGI, in the absence of a superior proposal. CGI encourages all Sedgman shareholders to **ACCEPT** the Offer.

¹ CGI will also instruct Credit Suisse to offer to buy Sedgman shares on Chi-X at the same price.

If you accept the Offer, CGI will pay you the consideration under the Offer within seven Business Days after the Offer is accepted. There are no brokerage costs in accepting the Offer.

CIMIC nominee to be appointed to Sedgman's Board

On 18 February 2016, CGI lodged its Fourth Supplementary Bidder's Statement, outlining the immediate appointment of an additional CGI nominee director, Mr Adolfo Valderas, Deputy Chief Executive Officer of CIMIC Group, to the Board of Sedgman. CGI also note, additional appointments of CGI nominee directors being made when actual control passes to CGI.

Further information

If Sedgman shareholders have any questions about the Offer, you may also call the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday.

ENDS

Issued by CIMIC Group Limited ABN 57 004 482 982 and **CIMIC Group Investments Pty Limited** ACN 126 876 953 www.cimic.com.au

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CIMIC Group Limited (ASX: CIM) is one of the world's leading international contractors and the world's largest contract miner. CIMIC (previously Leighton Holdings) has operations that have been in existence since 1934, was listed on the Australian Securities Exchange in 1962 and has its head office in Sydney, Australia. CIMIC provides construction, mining, engineering, concessions, and operation and maintenance services to the infrastructure, resources and property markets. It operates in more than 20 countries throughout the Asia Pacific, the Middle East, Sub-Saharan Africa and South America and, as at 31 December 2015, employed approximately 43,400 people directly and through its proportional ownership of HLG and Ventia.