



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

RE: STRONG NET CASH POSITION OF \$606M - GUIDANCE CONFIRMED

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

Lyn Nikolopoulos
Company Secretary

1 NOVEMBER 2017**STRONG FINANCIAL POSITION WITH NET CASH OF \$606M****9M17 CASH FLOWS FROM OPERATING ACTIVITIES¹ OF \$922M UP 46% YOY; EBITDA CASH CONVERSION 107% LTM²****9M17 NPAT UP 21% YOY³ TO \$501M; GUIDANCE CONFIRMED****9M17 REVENUE⁴ UP 26% YOY TO \$9.6BN****NEW WORK \$13.4BN YTD⁵; WIH⁶ \$35.7BN; EXTENSIVE PIPELINE**

CIMIC Group today reported a solid performance for the nine months to 30 September 2017:

- Revenue of \$9.6bn, up 26% YOY, with solid contributions from all core businesses
- EBITDA, EBIT and NPAT margins⁷ of 11.4%, 7.5% and 5.2% respectively
- NPAT of \$501m, up 21% YOY; \$178m in 3Q17, up 20% YOY
- Cash flows from operating activities of \$922m, up 46% YOY; EBITDA cash conversion 107% LTM
- Free operating cash flow⁸ of \$535m, up 19% YOY; over \$1bn LTM
- Net cash of \$606m at September 2017, up 48% from December 2016
- New work of \$13.4bn; work in hand of \$35.7bn at September 2017, up \$1.7bn YTD
- 2017 NPAT guidance confirmed for \$640m to \$700m, subject to market conditions

CIMIC Group Executive Chairman Marcelino Fernández Verdes said: “The nine months to September highlighted the ability of CIMIC Group’s more than 51,000 people to leverage our leading positions in the Australian, New Zealand and Asian infrastructure, services and public private partnership markets, and the global resources market.

“We remain positioned to meet our 2017 guidance supported by the diverse nature of our operations and markets, and our proven experience in growing sectors.

¹ Cash flows from operating activities before interest, finance costs, taxes and dividends received.

² Last 12 months.

³ Year on year performance during referenced period to 30 September 2017 compared to the same period in 2016.

⁴ Revenue excludes revenue from joint ventures and associates.

⁵ Year to date.

⁶ Work in hand includes CIMIC’s share of work in hand from joint ventures and associates.

⁷ Margins are calculated on revenue which excludes revenue from joint ventures and associates.

⁸ Free operating cash flow is defined as net cash from operating activities less net capital expenditure for property, plant and equipment.

“Our positive outlook has its foundations in our unchanging focus on maintaining a strong balance sheet, generating cash, and being disciplined in tendering.”

During the period, CIMIC Group refinanced and expanded its core working capital cash facility to \$2.6 billion. This was supported by the Group’s strong balance sheet and its solid investment grade rating, which was upgraded one notch by Moody’s Investors Service to Baa2 during the period.

Mr Fernández Verdes said: “The financial flexibility provided by the new facility supports our existing operations, as well as our pursuit of business and capital allocation opportunities, including into PPPs.

“Australia has one of the world’s most well-developed PPP markets, which is expected to grow considerably in coming years. To date, CIMIC has delivered more than 20 PPP projects with a value of around \$32 billion, demonstrating our core capability in this area and providing a strong platform for further growth.”

During 3Q17, CIMIC Group was selected to deliver numerous projects, to the value of \$4.5 billion, including:

- Services for the Melbourne suburban train network for seven years, and engineering, procurement and construction of stage one of the Bannerton Solar Park in Victoria.
- Construction of phase two of the Deep Tunnel Sewerage System in Singapore, the Christchurch Convention and Exhibition Centre in New Zealand and the Mackay Ring Road in Queensland; and upgrades to the Pacific Highway in NSW and the Capricornia Correctional Centre in Queensland.
- Mining services at Solomon Hub iron ore mine in Western Australia until 2020, Jellinbah East coal mine in Queensland until 2020; and Gunung Bara Utama coal mine until 2024 and Mahakam Sumber Jaya coal mine until 2021, both in Indonesia.

CIMIC Group Chief Executive Officer Adolfo Valderas said: “The increase in NPAT during the period is a consequence of the Group’s revenue growth combined with a focus on project delivery.

“Our work in hand, which has steadily expanded during the year to date, and a large pipeline of future work support our positive outlook.

“Relevant to CIMIC, there is nearly \$23 billion of tenders to be bid and/or awarded in the remainder of 2017, and nearly \$385 billion of projects are coming to the market in 2018 and beyond, including about \$50 billion worth of PPP projects.”

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

ENDS

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

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Australian Securities Exchange in 1962 and has its head office in Sydney, Australia. CIMIC provides construction, mining, mineral processing, 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, North and South America and Sub-Saharan Africa and, as at 30 September 2017, employed approximately 51,500 people directly and through its investments.