

17 JULY 2019**NPAT \$367M; REVENUE¹ \$7BN****STRONG BALANCE SHEET WITH NET CASH \$1.4BN UP 5%****SOLID CASH GENERATION – OPERATING CASH FLOW²
\$1.8BN LTM WITH EBITDA CONVERSION 87%****DIVERSIFIED ORDER BOOK³ WITH EXTENSIVE PIPELINE –
WIH \$36.8BN, NEW WORK \$8.3BN YTD****2019 NPAT GUIDANCE \$790M TO \$840M CONFIRMED**

CIMIC Group, a leading engineering, construction, mining, services and public private partnerships company, today announced sustained returns and cash-backed profits for the six months to 30 June 2019, with growth in net cash and work in hand.

Highlights of the result were:

- NPAT of \$367 million
- Stable revenue of \$7 billion
- EBIT, PBT and NPAT margins⁴ stable at 8.2%, 7.2% and 5.3% respectively
- Solid cash generation, with operating cash flow of \$1.8 billion, EBITDA cash conversion rate of 87%, free operating cash flow⁵ of \$1 billion (all in LTM)
- Robust balance sheet, with net cash of \$1.4 billion, up 5% since June 2018; strong investment grade rating reaffirmed by Standard & Poor's at BBB with Stable outlook
- Interim ordinary dividend of 71 cents per share, fully franked, payable on 3 October 2019
- Diversified order book with \$36.8 billion of work in hand, up 8% since June 2018 in operating companies; \$8.3 billion of new work⁶ won during the first half; bidding discipline maintained
- 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: “At the half way point in 2019, CIMIC Group remains in a strong financial position. Our net cash and work in hand increased consistently and we have a strong foundation for profitable growth. We will maintain focus on optimising our business and leveraging innovative technologies in the construction, mining and services sectors.”

¹ Revenue excludes revenue from joint ventures and associates.

² Operating cash flow includes cash flow from operating activities and changes in short term financial assets and investments before interest, finance costs and taxes. LTM means last 12 months.

³ Work in hand includes CIMIC's share of work in hand from joint ventures and associates.

⁴ Margins are calculated on revenue which excludes revenue from joint ventures and associates.

⁵ Free operating cash flow is defined as net operating cash flows less net capital expenditure for property, plant and equipment.

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

CIMIC Group Chief Executive Officer Michael Wright said: “We are seeing positive momentum across our operations, including substantial wins already in the first half. We are capitalising on the strong pipeline of opportunities, including the increasing number of Alliance contracts that are coming to the market.”

CIMIC Group announced several important projects, in Australia and abroad, since the start of 2019 including:

- UGL secured a five-year extension to its contract with Sydney Trains for the delivery of maintenance and logistics services, generating revenue of approximately \$630 million
- Pacific Partnerships, CPB Contractors, and UGL reached contractual close to deliver the Tunnel, Stations and Development PPP package of Brisbane’s Cross River Rail project, generating revenue of approximately \$2.7 billion
- CPB Contractors was selected as preferred proponent to deliver Auckland Airport’s taxiway and stands, expected to generate revenue of approximately NZ\$200 million
- CPB Contractors and UGL were selected as preferred contractors in an Alliance partnership to deliver the Rail, Integration and Systems package of the Cross River Rail project
- Pacific Partnerships, UGL and CPB Contractors, in a consortium, were selected to deliver the Regional Rail project as a design, build, finance and maintain contract, generating revenue of \$725 million
- Thiess secured a nine-year \$1.7 billion contract with its joint venture partner at the Jwaneng Diamond Mine in Botswana.

There is a \$60 billion pipeline of construction, mining and services opportunities for the remainder of 2019, extending to \$400 billion for 2020 and beyond. This pipeline includes \$130 billion of PPP opportunities identified for the remainder of 2019 and beyond.

Mr Fernández Verdes said: “With our integrated business model and strong balance sheet, CIMIC is in an advantageous position and remains on track to achieve our full year guidance and to deliver strong cash performance, supporting continued returns to shareholders.”

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

ENDS

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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 43,000 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.