

21 JULY 2021**HY21 NPAT \$208M; GROUP REVENUE¹ \$7.1BN****FREE OPERATING CASH FLOW² PRE-FACTORIZING
IMPROVED BY \$166M COMPARED TO HY20³****STRONG BALANCE SHEET POSITION; \$4.3BN OF
LIQUIDITY****NEW WORK⁴ OF \$10.4BN IN 6 MTHS, EXCEEDING \$6.8BN⁵
AWARDED IN FULL YEAR 2020; WIH⁶ OF \$33.3BN****FY21 NPAT GUIDANCE \$400M TO \$430M MAINTAINED**

CIMIC Group today announced its financial result for the six months to 30 June 2021:

- NPAT of \$208m for HY21
 - Group revenue growth of 10.6%⁷ to \$7.1bn, revenue increase of 4.8%⁷ to \$4.6bn
 - Strong revenue growth in Australian Construction and Services
 - EBITDA, PBT and NPAT margins⁸ resilient at 10.1%, 5.4% and 4.5% respectively
- Free operating cash flow pre-factoring improved by \$166m compared to HY20
 - Generated free operating cash flow pre-factoring of \$51m in 2Q21
 - Positive cash flow momentum reflects normalisation of new project awards, reduction in capital expenditure and finance costs
 - Factoring balance further reduced by \$243m YTD from \$976m at December 2020 to \$733m at June 2021
- Strong balance sheet position; \$4.3bn of liquidity
 - Declared an interim dividend of 42c per share, representing a payout ratio of 62.8% on HY21 result (franked at 20% and CFI at 80%)
 - Net debt⁹ of \$272.2m, YTD movement includes the unwind of \$243m of factoring in HY21
 - Issue of EUR625m (\$982.5m) corporate Eurobond in 2Q21 with eight years maturity, 2x oversubscribed and swapped to AUD. Issue provides ongoing access to Eurobond market
 - Optimised capital structure with extended maturity profile and diversification of funding sources
 - Investment grade rating remained unchanged. Moody's strong investment grade credit rating (Baa2/Outlook Stable) confirmed in January 2021. S&P rating issued in March 2021 remains at (BBB-/A-3/Outlook Stable)
- \$10.4bn of new work awarded in HY21; WIH increased to \$33.3bn
 - New work of \$10.4bn awarded in HY21, already exceeding the \$6.8bn awarded in full year 2020

- Construction, Services and Investments (services & mining) orderbook well diversified
- As at 30 June, the pipeline of relevant tenders to be bid on / be awarded is ~\$470bn for the remainder of 2021 and beyond, including ~\$115bn of PPP opportunities
- Outlook across Group's core businesses remains positive
 - Numerous stimulus packages announced by governments in core Construction and Services markets with additional opportunities through strong PPP pipeline
 - FY21 NPAT guidance of \$400m-\$430m maintained, subject to market conditions.

CIMIC Group Executive Chairman and Chief Executive Officer Juan Santamaria said: "Growth in revenue and profit during the first half of the year, along with a significant increase to our orderbook, provides CIMIC with a confident outlook for 2021 and beyond.

"The strong performance of our Australian Construction and Services segments supported the increase in revenue and resulted in an improvement in operating cash generation in the second quarter.

"Recent strategic achievements include compulsory acquisition status on our offer for Devine, appointment of advisers to review strategic options for Ventia, growth in the services sector, and ongoing work on multiple PPP tenders with success at North East Link.

"We maintained our strong liquidity position and issued a EUR625 million corporate Eurobond – our debut issue in the European Debt Capital Markets which was more than two times oversubscribed – to diversify our funding sources and extend our maturity profile."

CIMIC was awarded new work of \$10.4 billion during the period, bringing work in hand to \$33.3 billion. Contracts announced in HY21 included:

- North East Link Primary Package PPP, VIC - \$4bn¹⁰ (preferred status)
- M6 Motorway Stage 1, NSW - \$1.95bn
- Copperstring 2.0 ECI, QLD - \$7m (potential \$1.7bn)
- Country Regional Network, NSW - \$1.5bn
- Mount Pleasant Operation, NSW - \$925m¹¹
- Bruce Highway Upgrade Section D, QLD - \$289m
- Build-to-rent residential tower, NSW - \$150m
- Kidston clean energy transmission line, QLD - \$150m
- Gippsland Rail Upgrade, VIC - \$124m
- Ferny Grove Central development, QLD - \$100m

Mr Santamaria said: "We're seeing an increased volume of work coming to the market as a result of the various economic stimulus packages. The \$10.4 billion in new work we secured in the past six months exceeds the \$6.8 billion won in the 12 months to the end of 2020 and there is a substantial pipeline of work yet to be awarded."

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

Contacts

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

Ms Fiona Tyndall, 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 businesses CPB Contractors, Leighton Asia and Broad, our mining and mineral processing companies Thiess (joint control) 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 31,000 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 200 index, the Dow Jones Sustainability Australia Index and FTSE4Good.

¹ Group revenue includes revenue from joint ventures and associates

² Free operating cash flow is defined as net operating cash flow less net capital expenditure for property, plant and equipment. Operating cash flow includes cash flow from operating activities and changes in short term financial assets and investments before interest, finance costs and taxes

³ HY20 reported cash flows have been adjusted to be on a comparable basis, to reflect Thiess as a 50% equity accounted JV

⁴ New work includes new contracts and contract extensions and variations, including the impact of foreign exchange rate movements and other WIH adjustments

⁵ \$6.8bn includes 50% of Thiess new work and adjustments on a comparable basis; \$7.4bn quoted to the market in FY20 includes 100% of Thiess new work and adjustments

⁶ WIH includes CIMIC's share of work in hand from joint ventures and associates

⁷ Percentages are calculated on HY20 comparable figures which have been adjusted to reflect Thiess as a 50% equity accounted JV

⁸ Margins are calculated on revenue ('statutory revenue') which excludes revenue from joint ventures and associates

⁹ Net (debt)/cash includes cash and equivalent liquid assets (which includes cash, cash equivalents and short term financial assets and investments)

¹⁰ \$4bn represents the total expected value of WIH to CIMIC Group, including CIMIC share of Ventia's portion of 47%

¹¹ Announced as preferred on 2 July 2021, not included in WIH