

21 OCTOBER 2021**9M21 NPAT \$303M; GROUP REVENUE* UP 9.2% TO \$10.9BN****OPERATING CASH FLOW PRE-FACTORIZING IMPROVED BY \$351M COMPARED TO 9M20****\$4.0BN OF LIQUIDITY, STRONG BALANCE SHEET POSITION; FACTORING REDUCTION COMPLETE****\$16BN OF NEW WORK AWARDED IN 9M21, VERSUS \$5.1BN IN 9M20; WIH INCREASED TO \$35.1BN****FY21 NPAT GUIDANCE \$400M TO \$430M MAINTAINED, EXCLUDING ANY ONE-OFF ITEMS SUCH AS POTENTIAL VENTIA IPO**

CIMIC Group today announced its financial result for the nine months to 30 September 2021:

- NPAT of \$303m for 9m21
 - Group revenue¹ growth of 9.2%² YoY to \$10.9bn, revenue increase of 6.8%² YoY to \$7.1bn
 - Revenue growth achieved in Australian Construction and Services
 - EBITDA, PBT and NPAT margins³ resilient at 9.6%, 5.1% and 4.3% respectively, despite 3Q21 COVID-19 impact
- Operating cash flow⁴ pre-factoring improved \$351m YoY⁵, strategic reduction of factoring complete
 - Building positive cash flow momentum with award of new work; expect typical seasonal improvement in 4Q21
 - Strategically re-balanced working capital financing. Factoring balance reduced from \$976m at December 2020 to \$495m at September 2021 (from factoring of ~\$2.0bn at December 2019⁶), no further unwind expected
 - EBITDA cash conversion pre-factoring in LTM was 40%, 73% without Leighton Asia
- Strong liquidity of \$4.0bn
 - Net debt⁷ of \$754m, YTD movement includes \$481m unwind of factoring and \$187m dividend payment to shareholders in July. Net debt improvement expected in 4Q21
 - Optimised capital structure with extended maturity profile and diversification of funding sources
 - Supply chain finance fully repaid as at 30 September; program cancelled
 - Investment grade rating 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)

- \$16bn of new work⁸ awarded in 9m21; WIH⁹ increased to \$35.1bn
 - New work of \$5.6bn awarded in 3Q21; significant recovery from 2020 continuing, and well ahead of pre COVID-19 levels
 - Construction, Services and Investments (services & mining) orderbook well diversified
 - As at 30 September, the total future pipeline of relevant tenders to be bid on / be awarded is more than \$450bn, including more than \$100bn 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
 - Integration of Innovative Asset Solutions into UGL completed (acquired in 2Q21)
 - FY21 NPAT guidance of \$400m-\$430m maintained, subject to market conditions and excluding any one-off items such as the potential Ventia IPO.

CIMIC Group Executive Chairman and Chief Executive Officer Juan Santamaria said: "CIMIC delivered strong operational performance in the nine months to September, led by the performance of Australian Construction and Services. The result was achieved amid COVID-related shutdowns in New South Wales, Victoria and New Zealand, indicating the resilience of our business and effective management of operations throughout the pandemic.

"We have completed the strategic reduction of our use of working capital financing to a stable level and liquidity remains strong at \$4 billion, with an extended maturity profile and diversified sources of funding."

CIMIC was awarded new work of \$16 billion during the nine months to September, bringing work in hand to \$35.1 billion, a 17% increase. Contracts announced in 3Q21 included:

- Warringah Freeway Upgrade, NSW – \$800m
- Western Sydney International Airport's airside civil and pavement works, NSW – \$265m
- Inland Rail southern civil works program, NSW (selected as JV partner)
- ATOM services contract extension, across Australia – \$150m
- N2P Evolution contract with NBN Co, NSW, VIC & QLD – \$400m¹⁰
- Mount Pleasant Operation extension, NSW – \$920m⁹
- Oil & Gas extensions for planning, maintenance and shutdown services, WA – \$160m
- Preferred Respondent for the New Dunedin Hospital Inpatient Building (ECE), NZ
- O&M contract for Auckland Rail, NZ – NZ\$600m
- Equinox commercial complex, India – \$140m
- Data Centre, Hong Kong - \$40m.

Mr Santamaria said: "The new work of \$16 billion secured in the nine months to September is well ahead of pre-COVID levels in 2019 and 2020.

"The outlook for our core markets remains attractive, underpinned by public infrastructure spending to stimulate economic recovery from the pandemic, and we are well positioned to respond.

"We're focused on executing on our strong level of work to generate cash flow and returns."

Refer to 'Analyst and Investor Presentation' for further information.

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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 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.

* Key terms referred to in the headings are defined below

¹ Group revenue includes revenue from joint ventures and associates

² Percentages are calculated on 9m20 comparable figures which have been adjusted to reflect Thiess as a 50% equity accounted JV

³ Margins are calculated on revenue ('statutory revenue') which excludes revenue from joint ventures and associates

⁴ Operating cash flow includes cash flow from operating activities and changes in short term financial assets and investments before interest, finance costs and taxes. Free operating cash flow is defined as net operating cash flow less net capital expenditure for property, plant and equipment

⁵ 2020 reported cash flows have been adjusted to be on a comparable basis, to reflect Thiess as a 50% equity accounted JV

⁶ Includes Thiess factoring which was fully consolidated as of 31 December 2019

⁷ Net (debt)/cash includes cash and equivalent liquid assets (which includes cash, cash equivalents and short term financial assets and investments)

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

⁹ WIH includes CIMIC's share of work in hand from joint ventures and associates

¹⁰ Relates to WIH awards for Thiess or Ventia. Values represent Thiess and Ventia amount of WIH