

**13 APRIL 2018****CIMIC 2018 AGM: STRONG POSITION FOR GROWTH AND  
SUSTAINABLE RETURNS  
OUTSTANDING PERFORMANCE IN 2017**

CIMIC Group Executive Chairman Marcelino Fernández Verdes said today that CIMIC was in a strong position to continue to deliver growth and sustainable returns, after an outstanding performance in 2017.

Speaking prior to the Group's 2018 Annual General Meeting in Sydney, Mr Fernández Verdes said CIMIC's companies CPB Contractors (including Leighton Asia), Thiess, Sedgman, UGL, Pacific Partnerships and EIC Activities were well equipped to deliver the Group's order book and win further work.

"Following a strong performance during 2017, the future is promising for our company," Mr Fernández Verdes said.

"Good economic prospects in Australia, Asia and beyond are sustaining demand for infrastructure spending and providing a positive outlook for commodities.

"This is resulting in opportunities in mining and mineral processing for Thiess and Sedgman; and in investment, construction and services for Pacific Partnerships, CPB Contractors and UGL.

"And we are in a strong position to benefit. With our mix of skills, we can deliver across the project lifecycle, and with our strong balance sheet, we can take advantage of market opportunities."

In 2017, CIMIC reported net profit after tax at the top end of its guidance range and a strong balance sheet position.

Highlights of the 2017 result compared with 2016 included net profit after tax of \$702 million, up 21%; revenue<sup>1</sup> of \$13.4 billion, up 24%; cash flows from operating activities<sup>2</sup> of \$1.5 billion, up 27%; and net cash of \$910 million, up by more than \$500 million.

Mr Fernández Verdes said CIMIC's strategy included further developing its people to deliver excellence and consistency; seeking out synergies and efficient ways of working; actively taking advantage of organic and strategic growth opportunities; and nurturing innovation.

"We are in a unique position to identify and deliver value from investment opportunities that leverage our existing competencies (such as PPPs), or build new, complementary skills," he said.

"We do so with discipline, allocating capital where it is in the best, long term interests of our shareholders, to produce controlled growth with sustainable cash-backed profits.

"By nurturing innovation, we advance our company for the future. We must be ahead of our clients' needs, anticipating changes and delivering solutions."

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<sup>1</sup> Revenue excludes revenue from joint ventures and associates.

<sup>2</sup> Cash flows from operating activities before interest, finance costs, taxes and dividends received.

Addressing the meeting, CIMIC Group Chief Executive Officer Michael Wright said CIMIC's strong level of work in hand and disciplined approach to project delivery and client engagement, provided confidence about the future.

Mr Wright said: "For 2018 we have provided guidance that we will achieve net profit after tax in the range of \$720 million to \$780 million, subject to market conditions.

"All up, we have a broad range of opportunities in our markets. At the beginning of the year we identified more than \$110 billion of tenders relevant to us in 2018 and a further \$285 billion of projects coming to the market in 2019 and beyond. Of these, about \$65 billion are PPP projects."

Mr Wright said CIMIC was delivering some of the major projects underway in Australia – including packages of the \$16 billion WestConnex project and the \$11 billion Sydney Metro project – and was tendering infrastructure and services projects in Australia and Asia, as well as mining projects in Australia, Canada, Chile and Botswana.

"Based on our past success, and the extensive pipeline ahead of us, we expect to continue to generate sustained returns for our shareholders," he said.

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CIMIC Group Limited (ASX: CIM) is a world-leading infrastructure, mining, services and public private partnerships group. We have businesses in construction (CPB Contractors and Leighton Asia), mining and mineral processing (Thiess and Sedgman), operation and maintenance services (UGL), public private partnerships (Pacific Partnerships) and engineering (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 more than 50,000 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.