

17 APRIL 2018**1Q18 NPAT UP 7% YOY¹ TO \$172 MILLION****CASH FLOWS FROM OPERATING ACTIVITIES² UP 17% YOY TO \$118M; LTM³ EBITDA CONVERSION RATE 100%****STRONG NET CASH POSITION, UP \$634M YOY TO \$912M****POSITIVE REVENUE⁴ TREND, UP 7% YOY TO \$3.2BN****WIH⁵ OF \$34.6BN, NEW WORK OF \$2.6BN; EXTENSIVE PIPELINE****2018 NPAT GUIDANCE OF \$720M TO \$780M CONFIRMED**

CIMIC Group today announced a solid result for the three months to 31 March 2018, as the Group strengthened its market position and increased revenue and cash-backed profit.

Highlights of the result compared with 1Q17 were:

- NPAT of \$172 million, up 7%
- Revenue of \$3.2 billion, up 7%, with solid contributions from all core businesses
- Strong EBIT, PBT and NPAT margins⁶ of 7.8%, 7.3% and 5.3% respectively
- Cash flows from operating activities of \$118 million; \$1.5 billion in LTM. EBITDA conversion rate of 100% in LTM
- Free operating cash flow⁷ of \$1.1 billion in LTM
- Strong net cash position of \$912 million, up \$634 million
- Work in hand of \$34.6 billion, equivalent to more than two years' revenue; growth of \$2.7 billion or 10% in core businesses
- Guidance confirmed for 2018 NPAT in the range of \$720 million to \$780 million, subject to market conditions.

CIMIC Group Executive Chairman Marcelino Fernández Verdes said: "CIMIC's positive momentum continued in the first quarter of 2018, highlighting the strength of our global business. We have increased revenue and cash-backed profit, and maintain a positive outlook.

¹ Year on year performance during three-month period to 31 March 2018 compared to the three-month period to 31 March 2017.

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

³ Last 12 months.

⁴ Revenue excludes revenue from joint ventures and associates and interest income.

⁵ Work in hand includes CIMIC's share of work in hand from joint ventures and associates.

⁶ Margins are calculated on revenue which excludes revenue from joint ventures and associates.

⁷ Free operating cash flow is defined as net cash from operating activities less net capital expenditure for property, plant and equipment.

“Our balance sheet remains strong, and we continue to consider ways to use our capital that will create long-term value in the best interests of our shareholders.

“This includes taking advantage of growth opportunities, both organic and strategic, that leverage or expand our existing competencies, including investing in public private partnerships.”

CIMIC Group Chief Executive Officer Michael Wright said: “We continued to optimise operational performance during the period, being disciplined in cost management and increasing the value we deliver for our clients.

“Our work in hand remains at a high level, providing assurance of future revenues, and the pipeline of opportunities for our business is strong.”

CIMIC Group announced several important projects, in Australia and abroad, during the first quarter including:

- Mining services at Dawson South, Mt Arthur and Mt Owen in Australia, and at Wahana, Satui and Senakin in Indonesia (generating revenue of \$1.2 billion)
- The continued maintenance of the Royal Australian Navy’s ANZAC Class Frigates (\$250 million)
- Construction works for the Cavite Laguna Expressway in the Philippines (\$182 million)
- Build and maintain works for the Tailem Bend Solar Farm in South Australia (\$170 million)
- Asset management and project services at BP fuel terminals across Australia (\$150 million)
- Design and construction works for the Gunyama Park Aquatic and Recreation Centre in Sydney (\$84 million).

Relevant to CIMIC Group there are nearly \$100 billion of tenders to be bid and awarded during the rest of 2018; and a further \$300 billion in 2019 and beyond, including about \$80 billion worth of PPP projects.

Mr Fernández Verdes said: “The outlook for our business is promising and there is a solid pipeline of projects. With our sound balance sheet, we have the flexibility to pursue strategic growth initiatives and allocate capital to opportunities that create value for our shareholders.”

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

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Contacts

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

Ms Fiona Tyndall, General Manager Communications T+61 2 9925 6188

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.