

13 APRIL 2017**1Q17 NPAT UP 23.0% YOY¹ TO \$160.3M****CASH FLOWS FROM OPERATING ACTIVITIES² UP \$339M
YOY TO \$101M****STRONG BALANCE SHEET, NET CASH³ OF \$278M****POSITIVE REVENUE⁴ TREND UP 25.6% YOY TO \$3.0BN****WIH⁵ UP 17.4% YOY TO \$34.1BN AND SOLID PIPELINE****NPAT GUIDANCE FOR 2017 OF \$640M TO \$700M
CONFIRMED**

CIMIC Group today announced a strong result for the three months to 31 March 2017, delivering sustainable cash-backed profits.

Highlights of the result, which was the first full quarter to include the positive contribution of UGL, were:

- Cash flows from operating activities up \$339 million yoy to \$101 million, working capital management reducing 1Q17 seasonality impact. EBITDA conversion rate of 131.8% in last 12 months.
- Free operating cash flow (net) up more than \$260 million yoy; \$1.2 billion in last 12 months.
- Net profit after tax (NPAT) up 23.0% yoy to \$160.3 million.
- Solid 1Q17 profit before tax and NPAT margins⁶ of 7.3% and 5.3% respectively.
- Positive revenue trend, up 25.6% yoy to \$3.0 billion.
- Work in hand up 17.4% yoy to \$34.1 billion and a solid project pipeline supporting future growth.
- Strong balance sheet, net cash of \$278 million at 31 March 2017.
- Guidance confirmed for 2017 NPAT in the range of \$640 million to \$700 million, subject to market conditions.

¹ Year on year performance during three month period to 31 March 2017 compared to the three month period to 31 March 2016.

² Cash flows from operating activities is defined as the cash inflow from operating activities before interest, finance costs, taxes and dividends received.

³ Excluding operating leases.

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 Margin calculated on revenue as defined.

CIMIC Group Executive Chairman Marcelino Fernández Verdes said: “CIMIC Group generated strong cash flows from operating activities and increased revenue and profit during the first quarter of 2017.

“Our focus remains on generating sustainable cash-backed profits and allocating capital to opportunities that create value for shareholders.

“We are delivering on these objectives, demonstrated by our improvement to a positive first quarter cash flow, and our efficiency in converting earnings into cash. Our balance sheet is strong, providing flexibility to pursue strategic growth opportunities.”

CIMIC Group Chief Executive Officer Adolfo Valderas said: “CIMIC Group continues to diversify by geography and activity and we have a solid basis for growth, with strong fundamentals in our markets. Our acquisition of UGL has provided a further platform for expansion and our financial strength and comprehensive capabilities position us well to fund, deliver and service assets.

“We are shortlisted for several large projects; amongst others, the Melbourne Metro rail link PPP project, the Sydney Metro tunnels and station excavation works, selected projects under the Western Sydney roads upgrade program, and phase two of the Deep Tunnel Sewerage System in Singapore.”

During the year to date, CIMIC Group announced it had:

- been selected as the preferred contractor to deliver Victoria’s multi-billion dollar West Gate Tunnel Project in a 50:50 joint venture;
- been selected to deliver infrastructure upgrades at the Junee Correctional Centre in New South Wales (generating revenue of approximately \$134 million);
- been selected to deliver phase one of the Vipul Aarohan Residences project in India (\$108 million);
- been selected to construct an IKEA retail outlet in India (\$70 million);
- been selected to deliver an expansion project at Hong Kong International Airport (\$278 million);
- secured a contract to upgrade a waterworks in Singapore (\$63 million);
- reached contractual close to deliver part of the M1 Pacific Motorway widening project in New South Wales (\$145 million);
- been selected to deliver the third New Zealand Schools PPP initiative (NZ\$113million);
- secured a contract to provide maintenance services to Esso Australia at certain sites in Victoria;
- secured a new mining contract and a contract extension at adjoining pits in Indonesia (\$134 million); and
- been selected to deliver a section of the road project NorthLink WA in Western Australia (\$175 million).

The total pipeline of opportunities relevant to CIMIC Group is solid, with nearly \$80 billion of tenders to be bid and awarded during the rest of 2017, and a further \$250 billion in 2018 and beyond, supporting our growth outlook.

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

ENDS



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CIMIC Group Limited (ASX: CIM) is one of the world's leading international contractors and the world's largest contract miner. CIMIC Group has operations that have been in existence since 1899, was listed on the Australian Securities Exchange in 1962 and has its head office in Sydney, Australia. CIMIC provides construction, mining, mineral processing, engineering, concessions, and operation and maintenance services to the infrastructure, resources and property markets. It operates in more than 20 countries throughout the Asia Pacific, the Middle East, North and South America and Sub-Saharan Africa and, as at 31 March 2017, employed approximately 51,300 people directly and through its investments.