



3 May 2017
Macquarie Conference

WHAT WE DO

Transport Services



Surfacing



Network Management



Bitumen & Logistics



Infrastructure Projects

Rail



Manufacturing



Maintenance



Public Transport Operations

Utilities Services



Power



Gas



Water



Renewable Energy

Technology & Communications Services



Construction



Operations & Maintenance



Services

Engineering, Construction & Maintenance



Engineering



Construction



Operations & Maintenance

Mining



Open Cut



Underground



Blasting



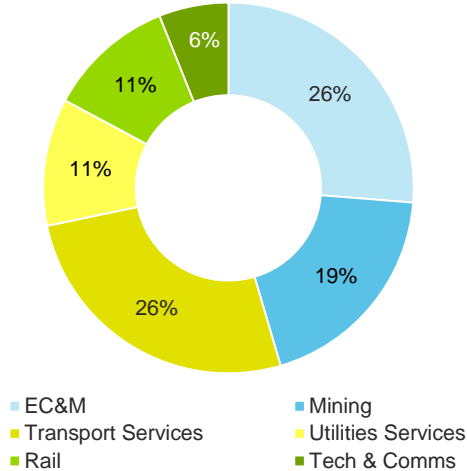
Asset & Tyre Management

REVENUE AND WORK-IN-HAND

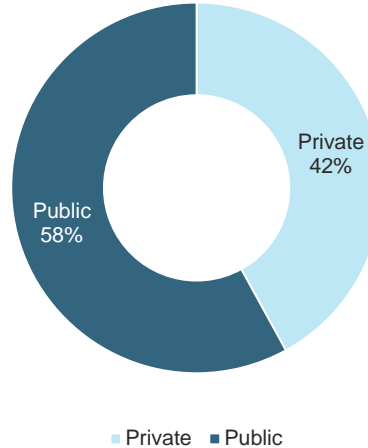
Revenue
\$7.5 billion¹

Work-in-hand
\$21.1 billion²

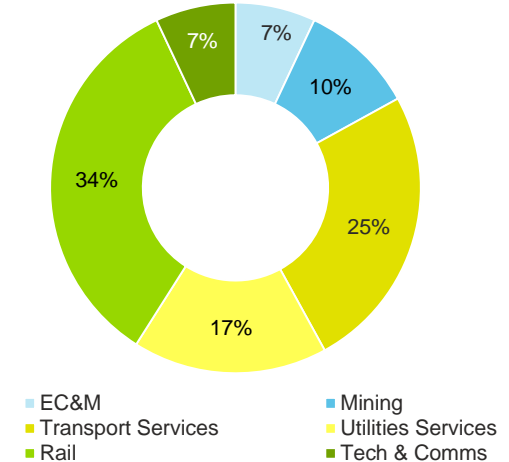
By Service Line¹



By Customer Type³



By Service Line

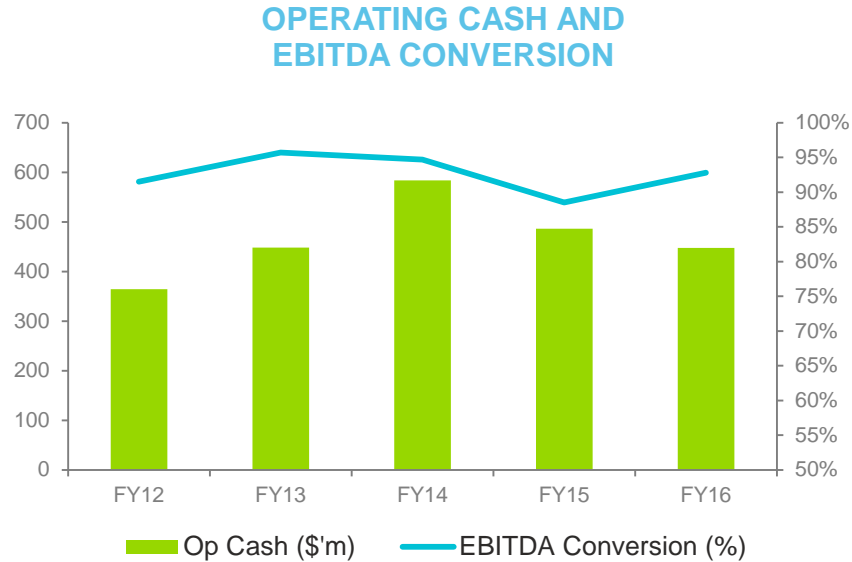


¹ Based on 12 months ended 31 December 2016. Downer revenue by segment presented above is a non-statutory disclosure which includes \$534 million from Downer's share of revenue from equity accounted joint ventures and associates and \$27.9 million from inter-segment revenues

² As at 31 December 2016

³ Based on six months ended 31 December 2016

STRONG NPAT AND CASH PERFORMANCE



- Affirmed FY17 guidance of underlying NPAT of at least \$175m on 21 March 2017¹
- Strong operating performance across each of Downer's service lines continues

¹ Downer underlying net profit after tax excludes the impacts of the takeover offer for Spotless Group Holdings Limited (SPO.ASX), announced on 21 March 2017 and the associated transaction costs

STRATEGY

DRIVE IMPROVEMENT IN EXISTING BUSINESSES

- leverage our brand
- reduce costs, increase efficiency and productivity
- improve revenue management

INVEST IN GROWTH

- strengthen market leading positions, capability and “IP”
- technology
- we have a strong balance sheet
- strategic M&A

CREATE NEW POSITIONS

- government outsourcing
- adjacent sectors
- geographic expansion

TAKEOVER OFFER FOR SPOTLESS

- Strategically compelling transaction announced on 21 March 2017:
 - Offer to acquire all of the issued share capital of Spotless not already owned by Downer by way of an off-market takeover offer, with all cash consideration of \$1.15 per Spotless share (**Offer**)
 - Downer currently has an interest equivalent to 19.99% in the issued share capital of Spotless¹
 - Offer subject to certain conditions, including 90% minimum acceptance condition (including Downer's existing holding), no reduction in FY17 earnings guidance provided by Spotless in February 2017 and regulatory approvals
- Offer is fully funded
- Bidder's Statement dispatched 12 April 2017
- Target's Statement dispatched 27 April 2017

¹ 4.99% economic interest accumulated via cash settled total return swap between 27 February 2017 and 7 March 2017 (inclusive), at a weighted average reference price of \$0.815 per Spotless share. 15.0% shareholding acquired on 20 March 2017 at a weighted average price of \$1.146 per Spotless share

DELIVERING ON DOWNER'S STRATEGIC OBJECTIVES

The acquisition of Spotless represents a significant investment in growth and drives the creation of new positions in adjacent sectors

1 Continues Downer's portfolio transformation

- Higher proportion of earnings from stable services businesses with resilient earnings
- De-risks Downer's portfolio while maintaining upside potential from continued resources recovery

2 Enhances contract portfolio

- Spotless' portfolio includes long term contracts providing high certainty over revenues

3 Contributes a complementary, high quality customer base

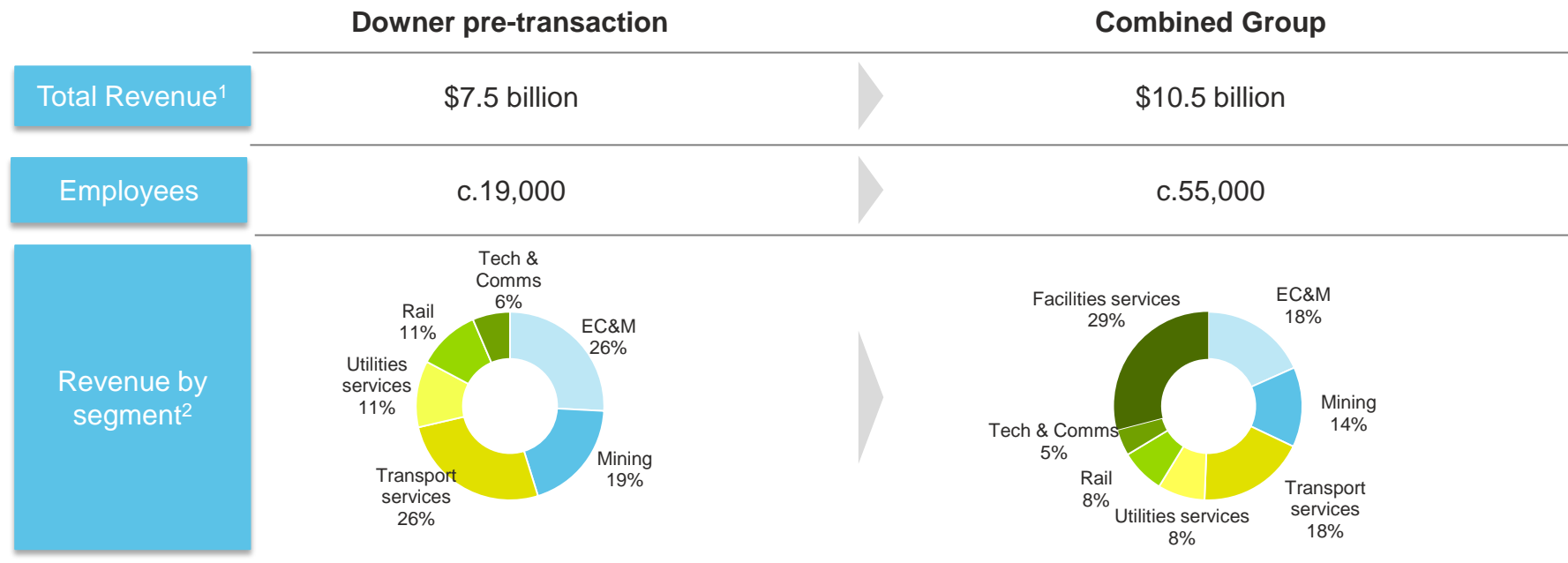
- Spotless has a diversified contract portfolio across a high quality customer base, with a high proportion of government-backed contracts

4 Extends services capabilities

- Creates an integrated services provider with a range of capabilities across facilities and asset management services

THE COMBINED GROUP

Largest genuinely diversified services group in Australia and New Zealand



Source: Spotless ASX filings

¹ Based on the 12 months ended 31 December 2016. Based on statutory revenue for Spotless. Based on Total Revenue for Downer, which is a non-statutory disclosure and which includes \$534 million from Downer's share of revenue from equity accounted joint ventures and associates. Excluding Downer's share of revenue from equity accounted joint ventures and associates, Downer's revenue is \$6.9 billion, and the Combined Group revenue is \$9.9 billion

² Based on 12 months ended 31 December 2016. Downer revenue by segment presented above is a non-statutory disclosure which includes \$534 million from Downer's share of revenue from equity accounted joint ventures and associates and \$27.9 million from inter-segment revenues. Spotless revenue by segment included in the Combined Group revenue by segment above is a non-statutory disclosure which includes \$38.9 million from inter-segment revenues and has been derived from Spotless' Annual Report for the 12 months ended 30 June 2016, Spotless' reviewed financial statements for the six months ended 31 December 2015 and Spotless' reviewed financial statements for the six months ended 31 December 2016



3 May 2017
Macquarie Conference