

6 January 2016

The Manager  
Company Announcements Office  
ASX Limited  
Level 4  
20 Bridge Street  
Sydney NSW 2000

Dear Sir or Madam

**Takeover Bid by Ferrovia Services Australia Pty Limited in relation to Broadspectrum Limited**

Ferrovia Services Australia Pty Ltd (ACN 609 542 556) is an indirectly wholly owned subsidiary of Ferrovia, S.A..

I attach a notice of despatch of takeover offers pursuant to item 8 of section 633(1) of the *Corporations Act 2001* (Cth).

Yours sincerely



**Kate Zorzi**  
Company Secretary  
Ferrovia Services Australia Pty Ltd  
Kate.Zorzi@allens.com.au  
+61 3 9613 8218

Attach

**Corporations Act 2001 (Cth)**

**Section 633(1), Item 8**

**Notice of Despatch**

Ferrovia Services Australia Pty Limited (ACN 609 542 556) gives notice in accordance with item 8 of section 633(1) of the *Corporations Act 2001 (Cth)* that the replacement bidder's statement dated 23 December 2015 (which incorporates all terms of the original bidder's statement dated 7 December 2015 and the supplementary bidder's statement dated 23 December 2015), which includes an offer dated 6 January 2016, in relation to a takeover bid for ordinary shares in Broadspectrum Limited (ABN 69 000 484 417) has been sent to each person who held securities in the bid class as at the date set by Ferrovia Services Australia Pty Limited (ACN 609 542 556) pursuant to section 633(2), as required by item 6 of section 633(1). The offers have been made on the terms set out in the replacement bidder's statement dated 23 December 2015.

Enclosed with this notice is a copy of the replacement bidder's statement.

Dated 6 January 2016



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Kate Zorzi

Secretary

For and on behalf of Ferrovia Services  
Australia Pty Limited (ACN 609 542 556)

# ferrovial

THIS IS AN IMPORTANT DOCUMENT AND CONTAINS AN OFFER BY BIDDER TO PURCHASE ALL OF YOUR SHARES IN BROADSPECTRUM LIMITED. THIS DOCUMENT REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL OR LEGAL ADVISER AS SOON AS POSSIBLE.

# Bidder's Statement **ACCEPT THE CASH OFFER**

by

**Ferrovial Services Australia Pty Limited** (ACN 609 542 556)  
an indirectly wholly owned subsidiary of **Ferrovial, S.A.**

to acquire **ALL OF YOUR SHARES** in

**Broadspectrum Limited** (ABN 69 000 484 417)  
(formerly **Transfield Services Limited**)

for

**\$1.35 cash per share**

Please call the Offer Information Line on 1300 782 154 (within Australia) or +61 3 9415 4131 (from outside Australia) if you require assistance.

Financial Adviser



Legal Adviser

Allens & Linklaters

# Important Information

This is a Replacement Bidder's Statement given by Ferrovial Services Australia Pty Limited (ACN 609 542 556), an indirectly wholly owned subsidiary of Ferrovial, S.A., to Broadspectrum Limited (ABN 69 000 484 417) under Part 6.5 of the Corporations Act as amended by ASIC Class Order [CO 13/528] and relates to the Offer.

You should read this Bidder's Statement in its entirety.

This Replacement Bidder's Statement is dated 23 December 2015 and replaces the Bidder's Statement dated 7 December 2015 and lodged with ASIC on that date (**Original Bidder's Statement**). The Offer made under this Replacement Bidder's Statement is on the same terms as the offer set out in the Original Bidder's Statement.

References to the Bidder's Statement in this document are to this Replacement Bidder's Statement, unless otherwise indicated.

This Bidder's Statement is dated 23 December 2015 and includes an Offer dated 6 January 2016, the terms of which are set out in Section 7.

A copy of this Bidder's Statement was lodged with ASIC on 23 December 2015. Neither ASIC nor any of its officers takes any responsibility for the contents of this Bidder's Statement.

References in this Bidder's Statement to Ferrovial's website (<http://www.ferrovial.com/en>) and to Broadspectrum's website (<http://www.broadspectrum.com/>) are for your reference only. Information contained in or otherwise accessible from those websites are not part of this Bidder's Statement.

## Investment decisions

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You should consider seeking independent financial and taxation advice before deciding whether or not to accept the Offer.

## Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in Section 8 along with certain rules of interpretation which apply to this Bidder's Statement.

## Forward-looking statements

This Bidder's Statement includes information that is historical in character and forward looking statements. The forward looking statements relate to future matters and are subject to various inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Broadspectrum, Bidder and the members of the Ferrovial Group operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets.

Actual events or results may differ materially from the events or results expressed or implied by any forward looking statements. The past performance of Bidder and Broadspectrum is no guarantee of future performance. None of Bidder or any Ferrovial

Group Member or any of their respective directors or officers or any other person named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

## Information regarding Broadspectrum

The information contained in this Bidder's Statement on Broadspectrum, Broadspectrum Shares and the Broadspectrum Group has been prepared by Bidder using publicly available information.

None of that information has been independently verified by Bidder. Accordingly, Bidder does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to Broadspectrum's business may be included in the Target's Statement, which Broadspectrum must provide to its shareholders in response to this Bidder's Statement.

## Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding.

Accordingly, the actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Bidder's Statement.

Any discrepancies between totals in tables or financial statements, or in calculations, graphs or charts are due to rounding.

## Privacy statement

Bidder has collected your information from the Broadspectrum register of members for the purpose of making the Offer and, if accepted, administering your holding of Broadspectrum Shares. The type of information Bidder has collected about you includes your name, address, contact details and information on your shareholding in Broadspectrum. Without this information, Bidder will be hindered in its ability to carry out the Offer. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Bidder's subsidiaries and external service providers (such as providers of print and mail services), and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Bidder please contact it at the address set out in the corporate directory or call the Offer Information Line.

### How Do I Accept the Offer?

You may only accept the Offer for all of your Broadspectrum Shares. Acceptances must be received before the end of the Offer Period.

Below is a summary of how to accept the Offer – full details are set out in Section 7.3.

#### For Issuer Sponsored Holdings of Broadspectrum Shares (Securityholder Reference Number beginning with 'I')

To accept the Offer, complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to an address on the Acceptance Form.

#### For CHESSE Holdings of Broadspectrum Shares (Holder Identification Number beginning with 'X')

To accept the Offer, either contact your Controlling Participant (usually your broker) and instruct them to accept the Offer on your behalf, or complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to an address on the Acceptance Form.

### Offer Information Line

If you have any questions in relation to the Offer, please call the Offer Information Line on the following numbers:

Within Australia: 1300 782 154

Outside Australia: +61 3 9415 4131

### Important Dates

|   |                                      |
|---|--------------------------------------|
| Original Bidder's Statement lodged with ASIC      | 7 December 2015                      |
| Supplementary Bidder's Statement lodged with ASIC | 23 December 2015                     |
| Replacement Bidder's Statement lodged with ASIC   | 23 December 2015                     |
| Date of the Offer                                 | 6 January 2016                       |
| Offer scheduled to close (unless extended)        | 7pm (Sydney time) on 8 February 2016 |

Note: The closing date for the Offer may change as permitted by the Corporations Act.

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# CEO's Letter



23 December 2015

Dear Broadspectrum Shareholder,

Bidder, an indirectly wholly owned subsidiary of Ferrovial, S.A. (**Ferrovial**), is pleased to present you with this Offer to acquire all of your shares in Broadspectrum for \$1.35 per Broadspectrum Share. Ferrovial is a global leader in the design, construction, management, maintenance and operation of transport infrastructure and services to cities and other public infrastructure.

The Offer Price is compelling value for Broadspectrum Shareholders, representing a significant premium of 59% to the closing price of Broadspectrum Shares on the ASX on 4 December 2015, the last trading day prior to the announcement of the Offer.

The Offer also provides the certainty of cash consideration in contrast to the uncertain future value of Broadspectrum Shares. The Offer is particularly attractive in the context of Broadspectrum's recent share price performance, the risk of declining revenues and earnings in Broadspectrum's defence, social and property (**DSP**) segment, the challenging macro-economic outlook in its non-DSP segments and Broadspectrum's relatively high level of debt.

Despite these challenges, Ferrovial is making a long-term decision to seek to establish a presence in the Australian market. This long term outlook is a key factor in Ferrovial's determination of the Offer Price.

The Offer is subject to conditions, including a 50.01% minimum acceptance condition and receipt of FIRB and New Zealand Overseas Investment Office approval. Further detail of the conditions can be found in Section 7.6. There is no financing condition to the Offer.

Broadspectrum Shareholders who accept the Offer will be paid on the earlier of the date that is one month after the Offer becomes, or is declared, unconditional or 21 days after the end of the Offer Period.

Detailed information in respect of the Offer is set out in this Bidder's Statement. You should read this Bidder's Statement in its entirety. The Offer is open for acceptance until 7pm (Sydney time) on 8 February 2016, unless extended. To accept the Offer you should follow the instructions detailed on the enclosed Acceptance Form and on page 1 of this Bidder's Statement.

If you have any questions in relation to the Offer, please contact the Offer Information Line on 1300 782 154 (from within Australia) or +61 3 9415 4131 (from outside Australia).

Yours sincerely,

**Íñigo Meirás**  
*Chief Executive Officer*  
Ferrovial, S.A.

# Frequently Asked Questions

The table below answers some key questions that you may have about the Offer and should be read in conjunction with the remainder of this Bidder's Statement. You should read the entire Bidder's Statement before deciding whether or not to accept the Offer.

The terms of the Offer are contained in Section 7.

|  |   |
|--|---|
| <p><b>1. What is the Offer?</b></p>                          | <p>Bidder is offering to purchase all of your Broadspectrum Shares. The Offer consideration is \$1.35 cash for each Broadspectrum Share.</p>  |
| <p><b>2. Who is making the Offer?</b></p>                    | <p>Bidder, an indirectly wholly owned subsidiary of Ferrovial, is offering to acquire all of your Broadspectrum Shares.</p> <p>Ferrovial is a global leader in the design, construction, management, maintenance and operation of transport infrastructure and services to cities and other public infrastructure.</p>  |
| <p><b>3. What is this Bidder's Statement?</b></p>            | <p>This Bidder's Statement was prepared by Bidder for distribution to Broadspectrum Shareholders. This Bidder's Statement describes the terms of the Offer for your Broadspectrum Shares and information relevant to your decision whether or not to accept the Offer.</p> <p>This Bidder's Statement is an important document, which you should read in full.</p> <p>Should you have any doubt as to how to deal with this document, you should consult your broker, legal, financial or other professional adviser.</p>   |
| <p><b>4. What is the Offer Price?</b></p>                    | <p>Bidder is offering to acquire all of your Broadspectrum Shares for \$1.35 cash per Broadspectrum Share, on the terms and conditions set out in Section 7.</p>  |
| <p><b>5. When does the Offer open and close?</b></p>         | <p>The Offer is scheduled to open on the date of the Offer (being 6 January 2016) and close at 7pm (Sydney time) on 8 February 2016 unless the Offer is withdrawn or the Offer Period is extended as permitted by the Corporations Act.</p>   |
| <p><b>6. What are the conditions of the Offer?</b></p>       | <p>The Offer is subject to the conditions which are set out in full in Section 7.6. In summary, those conditions are:</p> <ul style="list-style-type: none"> <li>• a minimum 50.01% acceptance;</li> <li>• receipt of FIRB approval;</li> <li>• receipt of New Zealand Overseas Investment Office approval;</li> <li>• no regulatory actions;</li> <li>• no dividend declared or paid;</li> <li>• no material adverse change;</li> <li>• no material acquisitions, disposals, new commitments, loss of potential New Major Contracts or other events;</li> <li>• no change of control or other rights; and</li> <li>• no prescribed occurrences.</li> </ul> <p>The status of each of the conditions as at the date of this Bidder's Statement is discussed in Sections 6.4 and 6.5.</p> <p>If the conditions are not satisfied or waived then the Offer will not proceed.</p> |
| <p><b>7. How do I accept the Offer?</b></p>                  | <p>See the section on page 1 of this Bidder's Statement, as well as the instructions on the enclosed Acceptance Form.</p>   |
| <p><b>8. If I accept the Offer, when will I be paid?</b></p> | <p>If you accept the Offer in accordance with the instructions contained in the Offer and the Acceptance Form and the Offer becomes or is declared unconditional, you will be sent payment by the earlier of:</p> <ul style="list-style-type: none"> <li>• one month after the date of your acceptance or, if at the time of your acceptance the Offer is subject to a Defeating Condition, one month after the Offer becomes, or is declared, unconditional; and</li> <li>• 21 days after the end of the Offer Period.</li> </ul>  |

|  |  |
|--|--|
| <p><b>9. Can I sell my Broadspectrum Shares on market?</b></p>                         | <p>Yes, but you may incur brokerage and other transaction costs if you do.</p> <p>However, if you accept the Offer, you agree not to sell your Broadspectrum Shares to anyone else. So if you accept the Offer and then seek to sell your Broadspectrum Shares on-market you will be unable to settle that on-market trade.</p>  |
| <p><b>10. What if I am a foreign Broadspectrum Shareholder?</b></p>                    | <p>Foreign Broadspectrum Shareholders will be paid the same cash consideration as all other Broadspectrum Shareholders under the Offer. You will be paid in Australian dollars by cheque drawn on an Australian bank branch.</p>   |
| <p><b>11. What happens if I do not accept?</b></p>                                     | <p>You will remain a Broadspectrum Shareholder and will not receive the consideration offered by Bidder. However, if Bidder becomes entitled to compulsorily acquire your Broadspectrum Shares, it intends to do so. If your Broadspectrum Shares are compulsorily acquired by Bidder, it will be on the same terms (including the same consideration for each Broadspectrum Share acquired) as the Offer. However, you will receive the money later than the Broadspectrum Shareholders who choose to accept the Offer.</p> <p>If Bidder does not become entitled to compulsorily acquire your Broadspectrum Shares, you will remain a Broadspectrum Shareholder.</p> <p>In certain circumstances, Bidder will seek to remove Broadspectrum from the official list of the ASX. For more information on Bidder's intentions, please see Section 3.</p> |
| <p><b>12. What is the effect of the Offer on Broadspectrum Performance Awards?</b></p> | <p>The Offer relates to Broadspectrum Shares only. Bidder is not acquiring any Broadspectrum Performance Awards. The Offer does, however, extend to Broadspectrum Shares that may be issued during the Offer Period as a result of the vesting and exercise of Broadspectrum Performance Awards.</p> <p>Please refer to Section 2.10 for further details.</p>  |
| <p><b>13. What are the tax implications of acceptance?</b></p>                         | <p>You should consult your financial, tax or other professional adviser on the tax implications of acceptance. However, Section 5 contains a general summary of the major likely Australian tax consequences for Broadspectrum Shareholders who accept the Offer.</p>  |
| <p><b>14. Do I pay brokerage or stamp duty if I accept?</b></p>                        | <p>You will not pay stamp duty on the disposal of your Broadspectrum Shares if you accept the Offer.</p> <p>If your Broadspectrum Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Bidder, you will not incur any brokerage in connection with your acceptance of the Offer.</p> <p>If your Broadspectrum Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Broadspectrum Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.</p>   |
| <p><b>15. What if I require further information?</b></p>                               | <p>If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on 1300 782 154 (within Australia) or +61 3 9415 4131 (from outside Australia).</p>  |



# Why You Should Accept the Offer

**1.**

The Offer of \$1.35 per Broadspectrum Share represents compelling value for Broadspectrum Shareholders

**2.**

The Offer provides the certainty of an all cash offer

**3.**

Broadspectrum's total shareholder return has underperformed the market and its peers

**4.**

Broadspectrum's earnings outlook is uncertain, particularly past FY16

**5.**

Broadspectrum is not paying a dividend, due in part to its debt levels

**6.**

The Offer Price implies a full multiple of earnings

**7.**

Broadspectrum's share price may fall if the Offer does not proceed

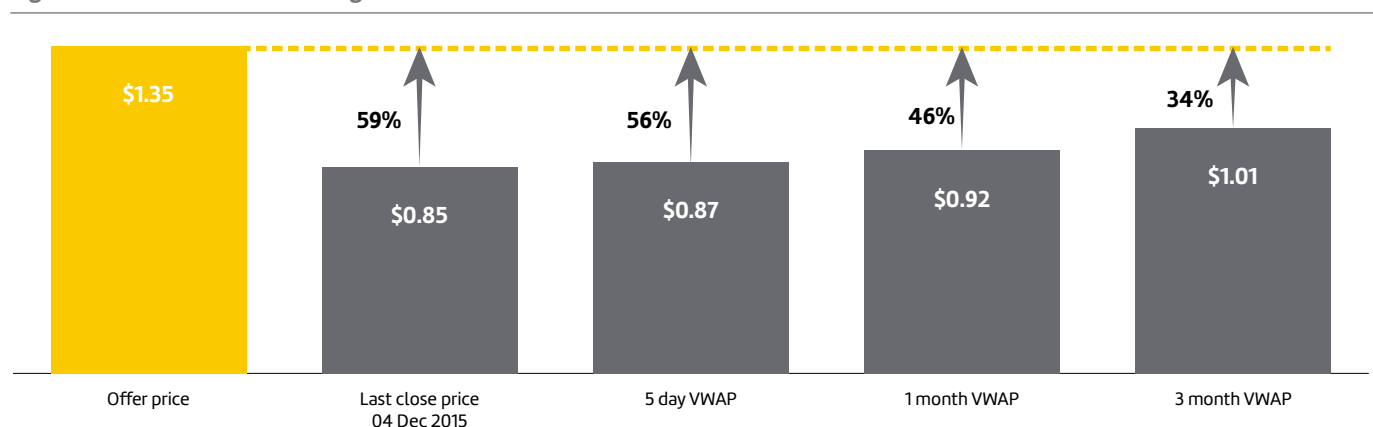
# 1 The Offer of \$1.35 per Broadspectrum Share represents compelling value for Broadspectrum Shareholders

Bidder is offering 100% cash consideration of \$1.35 per Broadspectrum Share, which represents compelling value and a significant premium to trading levels prior to the announcement of the Offer on 7 December 2015 (**Announcement Date**).

Based on the price of Broadspectrum Shares up to and including 4 December 2015, the last trading day prior to the Announcement Date, the Offer Price represents an attractive premium of:

- 59% to \$0.85, the last closing price of Broadspectrum Shares;
- 56% to \$0.87, the five day VWAP<sup>1</sup> of Broadspectrum Shares;
- 46% to \$0.92, the one month VWAP<sup>2</sup> of Broadspectrum Shares; and
- 34% to \$1.01, the three month VWAP<sup>3</sup> of Broadspectrum Shares.

Figure: Premium to recent trading values



The premium to last close being proposed is significantly higher than the median takeover premia in the Australian market<sup>4</sup>.

## 2 The Offer provides the certainty of an all cash offer

The choice for Broadspectrum Shareholders is between an all cash offer of certain value and an alternative uncertain future value of Broadspectrum Shares.

There are a number of material risks associated with Broadspectrum's business which you are exposed to as a Broadspectrum Shareholder, including the risk of continued share price underperformance; the risk of declining revenues and earnings in the defence, social and property (**DSP**) segment; the challenging macro-economic outlook in Broadspectrum's non-DSP segments; and the company's relatively high level of debt. Acceptance of the Offer removes your exposure to these risks.

1. VWAPs are calculated based on cumulative volume traded on the ASX and CHI-X. Five day VWAP calculated from 30 November 2015 – 4 December 2015. Source: IRESS.

2. VWAPs are calculated based on cumulative volume traded on the ASX and CHI-X. One month VWAP calculated from 5 November 2015 – 4 December 2015. Source: IRESS.

3. VWAPs are calculated based on cumulative volume traded on the ASX and CHI-X. Three month VWAP calculated from 7 September 2015 – 4 December 2015. Source: IRESS.

4. For deals over \$50 million since 1 January 2003, the median premium is 27% to the last close price prior to the announcement of the offer. Source: Bloomberg, Thomson Reuters.

If you accept the Offer and the Offer becomes unconditional, you will:

- be paid \$1.35 cash for each of your Broadspectrum Shares;
- not incur any brokerage fees, which would likely occur if you were to sell your Broadspectrum Shares on market; and
- receive your cash consideration by the earlier of:
  - 21 days after the end of the Offer Period;
  - within one month after the date of your acceptance or, if at the time of your acceptance the Offer was subject to a Defeating Condition, one month after the Offer becomes, or is declared, unconditional.

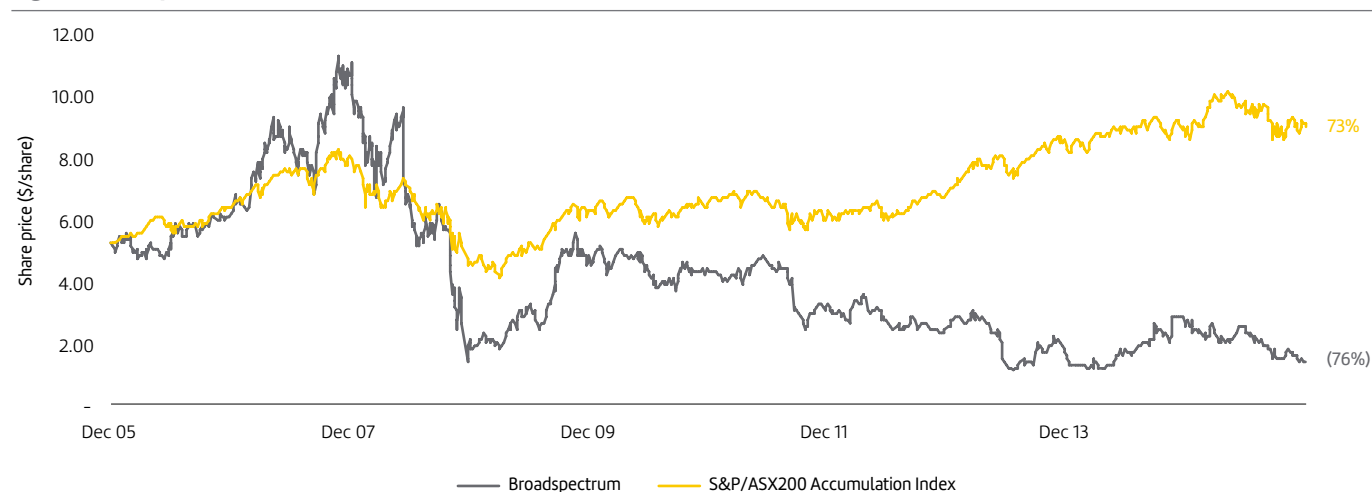
The Offer provides an opportunity to divest 100% of your Broadspectrum Shares, which is attractive given the levels of liquidity in Broadspectrum Shares.

Bidder believes that the cash payment under the Offer is attractive, particularly given Broadspectrum has not paid a dividend to Broadspectrum Shareholders since May 2013.

### 3 Broadspectrum’s total shareholder return has underperformed the market and its peers

Broadspectrum Shares have delivered a total shareholder return (*TSR*) of negative 76% (assuming reinvestment of dividends at the declared dividend rate per share on the ex-dividend date) for the ten year period from 4 December 2005 up to and including 4 December 2015 (being the last trading day prior to the Announcement Date), and have significantly underperformed the S&P/ASX 200 Accumulation Index over this period.

Figure: Broadspectrum total shareholder return vs S&P/ASX 200 Accumulation Index<sup>5</sup>



Broadspectrum has also significantly underperformed many of its peers on a TSR basis over the past five and ten year periods.

Figure: Broadspectrum total shareholder return versus key peers<sup>6</sup>

|         | BRS   | Programmed | RCR  | CIMIC | Downer | Monadelphous | UGL   | Worley |
|---------|-------|------------|------|-------|--------|--------------|-------|--------|
| 5 year  | (70%) | 151%       | 93%  | 0%    | (3%)   | (40%)        | (55%) | (74%)  |
| 10 year | (76%) | 49%        | 185% | 154%  | (24%)  | 252%         | (22%) | (24%)  |

5. Source: Bloomberg.

6. Source: Bloomberg.

## 4 Broadspectrum's earnings outlook is uncertain, particularly past FY16

### a. Broadspectrum's earnings are highly concentrated

Broadspectrum derives a very high proportion of earnings from one segment, the defence, social, and property (*DSP*) segment. In FY15, this segment represented<sup>7</sup>:

- 148% of Broadspectrum's Underlying EBIT<sup>8</sup> (post corporate costs) and 107% (pre corporate costs); and
- 96% of Broadspectrum's Underlying EBITDA<sup>9</sup> (post corporate costs) and 84% (pre corporate costs).

Put another way, in FY15 this segment had Underlying EBIT of \$249 million versus Broadspectrum Group Underlying EBIT of \$168 million<sup>10</sup>.

A key contributor to the DSP segment earnings has been the contract with the Department of Immigration and Border Protection (*DIBP*) to provide facilities management and welfare services at the regional processing centres in Nauru and Manus province (*DIBP Contract*), which was awarded in February 2014<sup>11</sup>.

Bidder believes that the DIBP Contract has been highly profitable for Broadspectrum and represents the vast majority of the DSP segment (and Broadspectrum Group's) earnings. In this respect:

- the social sub-segment of the DSP segment (which includes the DIBP Contract contribution) represented 69% of DSP revenue in FY15<sup>12</sup>; and
- the DSP segment and overall Broadspectrum Group margins increased substantially in FY15 when the full year impact of the DIBP Contract was realised<sup>13</sup>.

### b. There is a risk that DSP/DIBP Contract earnings will decline going forward

The original DIBP Contract expired in October 2015. Broadspectrum has signed a Deed of Variation with the DIBP which extends the current contract for a further four month period from November 2015, and Broadspectrum has announced that it is the preferred bidder for a new five year contract.

There is a risk that Broadspectrum may not be awarded the new contract, or if Broadspectrum is awarded the new contract, it may be on terms which are materially less profitable than the original contract.

If a new contract is awarded to Broadspectrum, the full impact appears likely to occur from March 2016 onward.

### c. Broadspectrum's non-DSP segments earnings would need to substantially increase to compensate for such a fall, but have recently been declining

In aggregate, the Underlying EBIT in Broadspectrum's non-DSP segments declined in FY15 and many have challenging outlooks.

Broadspectrum has forecast maintenance of overall group Underlying EBITDA in FY16, but also continued growth in DSP during this period, which may imply that non-DSP segments are forecast to decline again in FY16. The charts below show the decline in the non-DSP segments Underlying EBIT from FY14 to FY15.

7. Transfield Services Limited – FY15 Annual Report

8. On an underlying basis, excluding the impact of the settlement of legal claims and restructuring costs.

9. On an underlying basis, excluding the impact of the settlement of legal claims and restructuring costs.

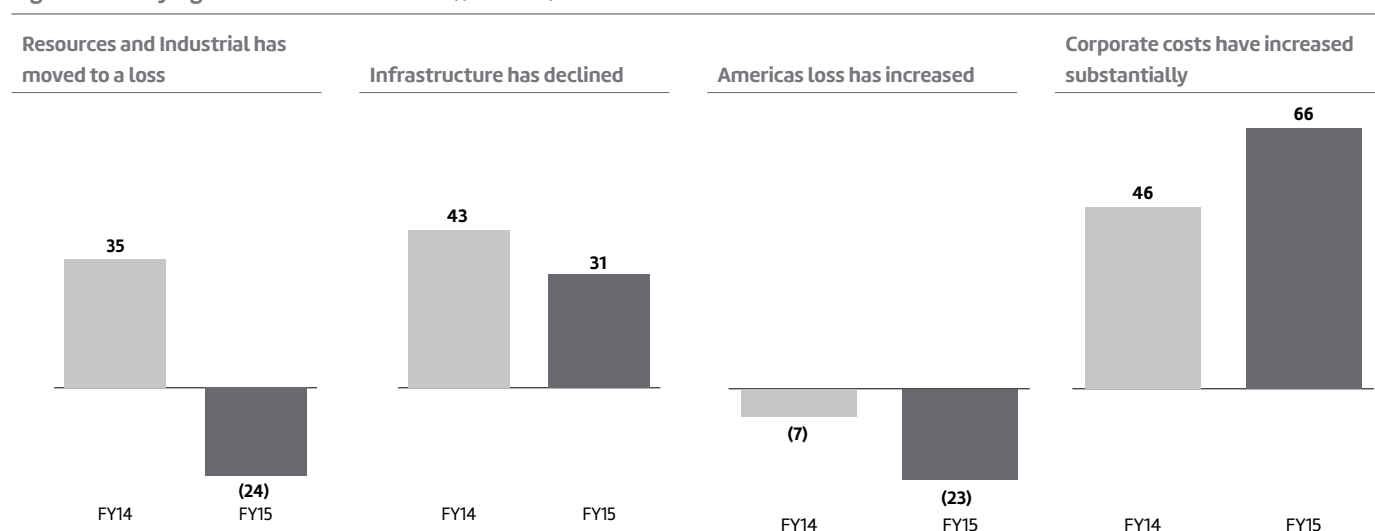
10. On an underlying basis, excluding the impact of the settlement of legal claims and restructuring costs.

11. Total contract value of \$1.22 billion for a period of 20 months. Source: Transfield Services Limited ASX Statement, 24 February 2014.

12. Transfield Services Limited – FY15 Annual Report.

13. Transfield Services Limited – FY15 Annual Report.

Figure: Underlying EBIT from FY14 to FY15 (\$ million)<sup>14</sup>



While Broadspectrum has been focused on a turn-around of the non-DSP segments businesses, the outlook for non-DSP segments markets in the near term remains challenging. Broadspectrum has commented that “challenging macroeconomic conditions are expected to continue into FY2016, with ongoing headwinds in energy and commodity markets”<sup>15</sup>.

A number of Broadspectrum’s peers have also highlighted the uncertain outlook in the mining, metals and oil & gas segments.

## 5 Broadspectrum is not paying a dividend, due in part to its debt levels

### a. Broadspectrum has numerous additional debt like items

In recent years, Broadspectrum has suspended dividends<sup>16</sup>, issued high interest rate debt in the US markets<sup>17</sup> and factored receivables<sup>18</sup>.

Broadspectrum’s reported net debt position does not include current tax liabilities of \$72 million (up from \$6 million in FY13); receivables financing of \$15 million; unamortised borrowing costs of \$17 million; and future finance charges on finance leases of \$3 million, all of which would total \$106 million. Further, it appears Broadspectrum has been materially increasing its operating lease commitments in recent years, from \$127 million in FY13 to \$194 million in FY15<sup>19</sup>.

### b. Broadspectrum’s debt level has impacted its ability to pay dividends

Broadspectrum has not paid a dividend since May 2013. In June 2015, Broadspectrum again determined not to pay a dividend, stating “we’ve elected, given the uncertainties in the market and the fact that a couple of key contracts are still to be awarded, to preserve fire power and pay down debt”<sup>20</sup>.

Broadspectrum’s debt levels and high interest costs could also potentially restrict the ability for Broadspectrum to re-invest cash proceeds into future growth.

14. On an ex. one-off items basis, Resources & Industrial declined from \$35 million to negative \$21 million, Infrastructure increased slightly from \$43 million to \$49 million (however 2H15 earnings were lower than 2H14) and Americas earnings were negative \$5 million in FY15 (negative \$7 million in FY14). Source: Transfield Services Limited FY14 and FY15 Annual Reports.

15. Source: Transfield Services Limited FY15 AGM investor presentation slides 28 October 2015.

16. Last dividend paid in May 2013.

17. US\$325 million of senior unsecured notes issued in May 2014, at a coupon of 8.375%.

18. Transfield Services Limited – FY13 Annual Report.

19. Transfield Services Limited – FY15 Annual Report.

20. Transfield Services Limited – FY15 Transcript of Full 2015 Results Conference Call, 27 August 2015.

## 6 The Offer Price implies a full multiple of earnings

Given Broadspectrum's earnings concentration in the DSP segment, Ferrovial believes it is important to consider the value of the DSP and non-DSP segments separately. Ferrovial also considers it most appropriate to use EBIT multiples given the capital intensive nature of Broadspectrum's business.

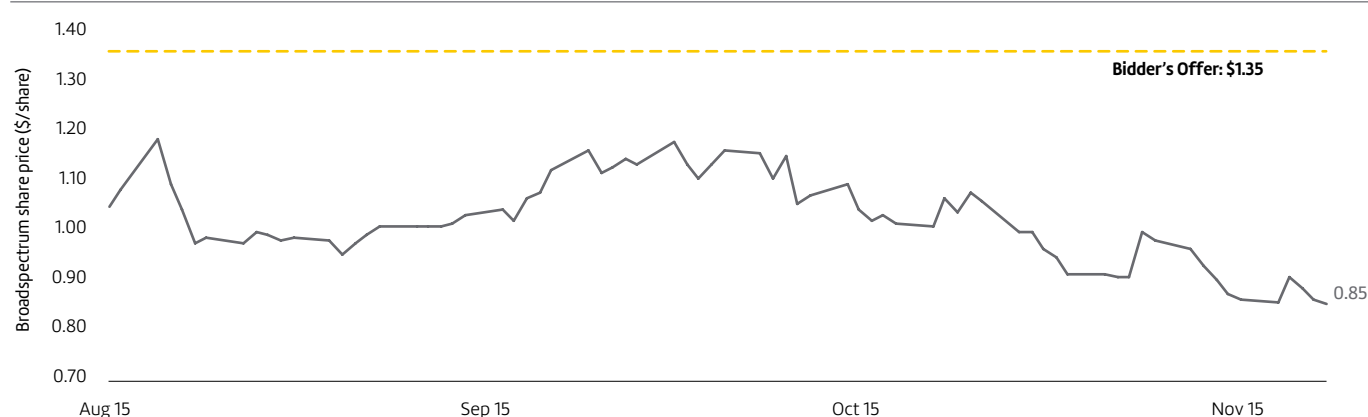
For illustrative purposes, even if an 8x-10x<sup>21</sup> multiple is applied to the non-DSP segments Underlying EBIT (ex. one-off items) of FY15 of \$23 million<sup>22</sup>, it implies a value of \$183 million to \$229 million for those segments. Further, if corporate costs are allocated between DSP and non-DSP segments based on each segment's revenue contribution to total Broadspectrum Group revenue<sup>23</sup>, the revised Underlying EBIT (ex. one-off items) becomes negative \$11 million, which implies a value of \$(88) to \$(110) million.

This compares to a total Enterprise Value of \$1,162 million based on the Offer Price being offered by Ferrovial, implying a residual value of \$1,250 – \$1,272 million, a significant value given the potential for earnings decline in DSP.

## 7 Broadspectrum's share price may fall if the Offer does not proceed

Prior to the Announcement Date, the volume weighted average price of Broadspectrum Shares over the last three months was \$1.01 per share<sup>24</sup>. If the Offer does not proceed, Broadspectrum's share price may trade at a substantial discount to the Offer Price.

Figure: Broadspectrum share price trading since announcement of FY15 result (27 August 2015)<sup>25</sup>



21. Ferrovial considers this multiple to be high given the earnings outlook for the business.

22. Non-DSP segments Underlying EBIT is prior to the impact of corporate.

23. Corporate costs Underlying EBIT of \$(58) million (pre one-off items) is allocated on a revenue contribution of non-DSP segments to total revenue basis, which together aggregate to 59% of total revenue.

24. VWAPs are calculated based on cumulative volume traded on the ASX and CHI-X. Three month VWAP calculated from 7 September 2015 – 4 December 2015. Source: IRESS.

25. Source: IRESS.

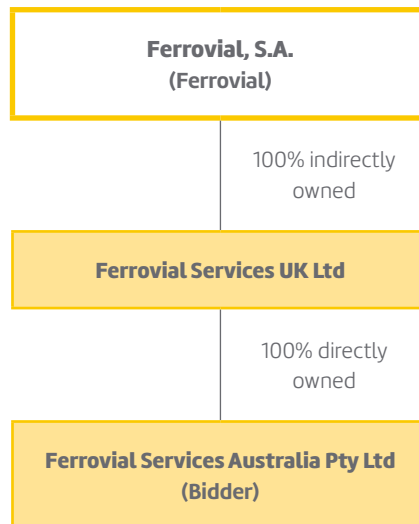
# 1

## Profile of Bidder and the Ferroviail Group

## 1.1 Bidder

Bidder is an indirectly wholly owned subsidiary of Ferrovial, S.A. (**Ferrovial**). Bidder was incorporated in Victoria, Australia, on 27 November 2015 for the purpose of making the Offer.

Set out below is a simplified structure of Ferrovial's ownership of Bidder.



## 1.2 Directors of Bidder

The directors of Bidder are:

- Santiago Olivares;
- Alfredo García;
- Fernando González de Canales;
- Andrés Camacho; and
- Ian Pyman.

## 1.3 Overview of Ferrovial Group

Ferrovial is a global leader in the design, construction, management, maintenance and operation of transport infrastructure and services to cities and other public infrastructure. It was founded in 1952 as a construction group focusing on railway infrastructure and later expanded its business into other activities. Ferrovial has been active internationally for over 40 years.

Currently, Ferrovial's activities are carried out through four business units: Services, Construction, Toll Roads and Airports. Ferrovial Group is part of Spain's blue-chip IBEX-35 index as well as the Dow Jones Sustainability Index and the FTSE4Good Sustainability Index. Ferrovial Group has a presence in more than 25 countries with a workforce of over 69,000 people.

Ferrovial has been listed on the Madrid Stock Exchange since 1999. As at 4 December 2015, being the last trading day prior to the Announcement Date, Ferrovial's market capitalisation was €16,063 million.

In the 12 months to 31 December 2014, the period being the last full year of results as at the date of this Bidder's Statement, Ferrovial generated revenue of €8,802 million, EBITDA of €983 million and net profit after tax of €402 million. Additionally, as at 31 December 2014, Ferrovial's combined construction and services backlog was €30,460 million.



## 1.4 Principal Activities of Ferrovial

Ferrovial Group's activities are carried out through four divisions:

### (a) Services (Ferrovial Services)

Ferrovial Services is an international leader in the delivery of consultancy, operational, maintenance, facility management and environmental solutions to a broad range of end markets. It offers a wide range of services to a diverse client base across the industrial, mining, utility, transport and governmental sectors using a whole of life asset management approach.

With revenue of €4,401 million (FY14), Ferrovial Services maintains a leading position in the United Kingdom (through its subsidiary, Amey) and Spanish markets, and also has operations in Poland, Chile, Qatar and Portugal. Ferrovial Services' strong growth performance has been driven by its customer focus and innovative end-to-end solutions, integrating high value added services, technology and social value. Established in 2001, Ferrovial Services has achieved its current position through a combination of organic growth and strategic acquisitions including Amey, Cespa and Enterprise.

Ferrovial Services has a long history of providing services to Governments in the United Kingdom and Spain regarding potentially sensitive matters including services to the defence, justice and offender rehabilitation sectors. The division contributed 24% of the Ferrovial Group's proportionally consolidated EBITDA in FY14.

### (b) Construction (Ferrovial Agroman)

The construction business provides the design and construction of infrastructure in the areas of civil engineering work, building and industrial construction in the USA, Canada, UK, Spain, Poland, Colombia and Australia. The division contributed 19% of the Ferrovial Group's proportionally consolidated EBITDA in FY14.

### (c) Toll Roads (Cintra)

Toll road activities comprise the promotion, investment and operation of toll roads and other infrastructure. A Ferrovial Group subsidiary, Cintra, is a leading private sector developer of transport infrastructure, managing 28 concessions across the USA, Canada, Colombia, the UK, Ireland, Portugal, Spain and Australia. The division contributed 29% of the Ferrovial Group's proportionally consolidated EBITDA in FY14.

### (d) Airports (Ferrovial Airports)

Ferrovial Airports is an investor and operator of airports in the UK. Approximately 87 million passengers transit through its four airports in the UK – Heathrow, Aberdeen, Glasgow and Southampton. The division contributed 28% of Ferrovial Group's proportionally consolidated EBITDA in FY14.

## 1.5 Directors of Ferrovial

As at the date of this Bidder's Statement, the directors of Ferrovial are:

- a. Rafael del Pino (Chairman, Executive and Proprietary Director);
- b. Santiago Bergareche (Vice-Chairman and Independent Director);
- c. Joaquín Ayuso (Vice-Chairman and External Director);
- d. Íñigo Meirás (Chief Executive Officer);
- e. Leopoldo del Pino (External Proprietary Director);
- f. Juan Arena (Independent Director);
- g. María del Pino (External Proprietary Director);
- h. Santiago Fernández Valbuena (Independent Director);
- i. José Fernando Sánchez Junco (Independent Director, Lead Director);
- j. Joaquín del Pino (External Proprietary Director);
- k. Howard L. Lance (Independent Director); and
- l. Óscar Fanjul (Independent Director).

## 1.6 Publicly available information about Ferrovial

A substantial amount of information about Ferrovial Group and Ferrovial Services is available in electronic form on its website ([www.ferrovial.com/en/company/](http://www.ferrovial.com/en/company/)), and filings made with the Madrid Stock Exchange (which may be viewable on [www.bolsamadrid.es/](http://www.bolsamadrid.es/)). Additional Information is also available at the Comision Nacional del Mercado de Valores (**CNMV**) website ([www.cnmv.es/](http://www.cnmv.es/)).

# 2

## Profile of the Broadspectrum Group

## 2.1 Disclaimer

The information in this Section 2 (other than Sections 2.11 and 2.12) concerning Broadspectrum and the Broadspectrum Group has been prepared based on a review of publicly available information (which has not been independently verified), including the Transfield Services Limited – FY15 Annual Report. Bidder does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on Broadspectrum and the Broadspectrum Group in this Bidder's Statement should not be considered comprehensive.

Further information relating to Broadspectrum may be included in its Target's Statement in relation to the Offer, which will be sent to you directly by Broadspectrum.

## 2.2 Publicly available information

You should also consider any publicly available information regarding Broadspectrum including information available on its website (<http://www.broadspectrum.com/>), announcements made to the ASX by Broadspectrum (which may be viewable on [www.asx.com.au](http://www.asx.com.au)) and the Target's Statement that Broadspectrum is required to provide to you under the Corporations Act.

The ASX announcements made in relation to Broadspectrum between 25 September 2015 (the date of release of the Transfield Services Limited – FY15 Annual Report) and the Announcement Date are listed in Annexure 1.

## 2.3 Overview of Broadspectrum

Broadspectrum is an Australian-based provider of a broad range of services to the infrastructure, defence, social, property, resources and industrial segments. These services include logistics, facilities management, consulting, construction, care, welfare, operations, maintenance, well servicing, and business support services. Broadspectrum employs more than 25,000 people across 18 industries and 9 countries.

Broadspectrum was listed on the ASX in 2001. As at 4 December 2015, being the last practicable trading day prior to the Announcement Date, Broadspectrum's market capitalisation was \$436 million.

## 2.4 Principal activities of Broadspectrum

Broadspectrum organises its activities via four primary segments:

### (a) Resources and industrial

The resources and industrial segment comprises the oil and gas, and mining and industrial sub-sectors and comprises 20% of Broadspectrum's total FY15 revenue and negative 10% of Underlying EBIT (pre-corporate).

The oil and gas sub-sector contributed 83% of FY15 revenue for the resources and industrial segment, delivering services to the upstream, midstream, and downstream hydrocarbons production and processing industries globally.

The mining and industrial sub-sector represented 17% of FY15 revenue for the resources and industrial segment. Within resources, Broadspectrum provides site-wide service solutions to mining and minerals processing companies, allowing them to maintain controls around their production costs. In the industrials sub-sector, Broadspectrum provides asset management services to chemicals, manufacturing and power generation companies.

### (b) Infrastructure

The infrastructure segment contributed 28% of Broadspectrum's total FY15 revenue and 13% of Underlying EBIT (pre-corporate).

The infrastructure segment comprises the telecommunications, utilities and transport sub-sectors.

The telecommunications sub-sector contributed 42% of the infrastructure segment's FY15 revenue. End-to-end telecommunications services provided include design, construction and installation of major communication infrastructure projects, network maintenance and facilities, and asset management services.

The utilities sub-sector, comprising water, power and electrical services contracts, contributed 29% of the infrastructure segment's FY15 revenue. Services provided in this sub-sector include operations and maintenance and construction.

The transport sub-sector spans across road, rail and public transport contracts. The sub-sector contributed 29% of the infrastructure segment's FY15 revenue. Services provided by the sub-sector include operations and maintenance, construction and logistics and facilities management.

### **(c) Defence, Social and Property (DSP)**

The DSP segment contributed 41% of Broadspectrum's total FY15 revenue and 107% of Underlying EBIT (pre-corporate).

The defence sub-sector contributed 26% of the DSP segment's FY15 revenue. Services provided in this sub-sector range from meeting estate needs, maintaining vehicle fleets and providing support services.

The social sub-sector contributed 69% of the DSP segment's FY15 revenue. The majority of work provided in this sub-sector is derived from non-discretionary logistics and facilities management services to government clients across health, education, immigration and social housing sub-sectors.

The property sub-sector contributed 6% of the DSP segment's FY15 revenue and delivers corporate real estate services, property sales, leasing and comprehensive project and program consulting to clients across Australia, New Zealand, Papua New Guinea and Nauru.

### **(d) Americas**

The Americas segment contributed 11% of Broadspectrum's total revenue in FY15 and negative 10% of Underlying EBIT (pre-corporate). Through this segment, Broadspectrum provides operations and management services to the oil and gas, mining, and roads sub-sectors which comprised 50%, 11% and 39% of Americas FY15 revenue respectively.

### **(e) Corporate**

Broadspectrum also has a corporate centre, which in FY15 recorded Underlying EBIT of negative \$66 million.

## **2.5 Historical financial information on Broadspectrum**

Broadspectrum's last published financial statements are for the financial year ended 30 June 2015, as lodged with ASX on 27 August 2015.

Ferrovial is not aware of any changes to Broadspectrum's financial position since the release of these results other than announcements made by Broadspectrum to ASX up to the day before the date of this Bidder's Statement.

Being a company listed on ASX, Broadspectrum is subject to periodic and continuous disclosure requirements under the Corporations Act and ASX Listing Rules. For more information concerning the financial position and affairs of Broadspectrum, you should refer to the full range of information that has been disclosed by Broadspectrum pursuant to those obligations.

## **2.6 Directors of Broadspectrum**

As at the date of this Bidder's Statement, based on Broadspectrum's public disclosures, the directors of Broadspectrum are:

- a. Diane Smith-Gander (Chairman);
- b. Graeme Hunt (Managing Director and Chief Executive Officer);
- c. Katherine Hirschfeld (Non-Executive Director);
- d. Geoffrey Kleemann (Non-Executive Director);
- e. Roy McKelvie (Non-Executive Director);
- f. Dean Pritchard (Non-Executive Director); and
- g. Douglas Shedden (Non-Executive Director).

## 2.7 Substantial shareholders of Broadspectrum

Based on substantial shareholder notices given to ASX on 4 December 2015, being the last trading day prior to the Announcement Date, the following persons and entities were substantial holders of Broadspectrum Shares<sup>1</sup>.

| Shareholder   | Number of shares | Interest (%) |
|---|------------------|--------------|
| Allan Gray Investment Management  | 95,849,104       | 18.70%       |
| Invesco Australia Limited   | 54,469,409       | 10.63%       |
| Dimensional Fund Advisors   | 30,878,244       | 6.02%        |
| State Street Australia Limited as custodian for Retail Employees Superannuation Pty Limited | 25,744,036       | 5.02%        |

## 2.8 Broadspectrum securities on issue

According to documents lodged by Broadspectrum with ASX the total number of securities on issue in Broadspectrum is as follows:

| Class                            | Number                   |
|----------------------------------|--------------------------|
| Broadspectrum Shares             | 512,457,716 <sup>2</sup> |
| Broadspectrum Performance Awards | 17,167,359 <sup>3</sup>  |

Broadspectrum Shares are quoted on ASX and may be freely traded. Broadspectrum Performance Awards are not quoted on ASX.

## 2.9 Recent share price performance

The last recorded sale price of Broadspectrum Shares on ASX on 4 December 2015, being the last trading day prior to the Announcement Date, was \$0.85.

During the three months ended 4 December 2015 (being the last trading day prior to the Announcement Date):

- the highest recorded sale price for Broadspectrum Shares on ASX was \$1.19 on 12 October 2015; and
- the lowest recorded sale price for Broadspectrum Shares on ASX was \$0.83 on 27 November 2015.

## 2.10 Broadspectrum employee share plans

On the basis of documents lodged by Broadspectrum with ASX, Bidder understands that as at the Announcement Date, there were 17,167,359 Broadspectrum Performance Awards on issue.

The Offer does not extend to any Broadspectrum Performance Awards. Bidder encourages holders of Broadspectrum Performance Awards to exercise their Broadspectrum Performance Awards before the end of the Offer Period to the extent they are entitled to do so, and accept the Offer in respect of the Broadspectrum Shares issued on exercise.

For more information on Bidder's intentions in relation to Broadspectrum Performance Awards, please see Section 3.2.

## 2.11 Offer extends to new Broadspectrum Shares

The Offer extends to Broadspectrum Shares that are issued or otherwise come into existence during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into Broadspectrum Shares (including Broadspectrum Performance Awards) that are on issue at the Register Date.

See Section 2.10 in relation to Bidder's possible approaches to the treatment of unexercised Broadspectrum Performance Awards in connection with the Offer.

1. Transfield Services Limited – FY15 Annual Report, Invesco Australia Limited Form 604: Notice of Change of interests of substantial holder dated 2 December 2015.

2. As at the date of this Bidder's Statement.

3. Based on information contained in the Transfield Services Limited – FY15 Annual Report, this figure has been calculated based on the number of Broadspectrum Performance Awards outstanding as at the date of this Bidder's Statement. This figure excludes Broadspectrum Performance Awards listed in the FY15 Annual Report that have expired post 30 June 2015, and includes Broadspectrum Performance Awards that were subsequently approved at the 2015 AGM. Since the actual number of rights that were issued following the 2015 AGM has not been disclosed, it is assumed that 650,724 rights will be issued to Graeme Hunt, given this is the number disclosed in the Transfield Services Limited – FY15 Annual Report. This figure assumes that no Broadspectrum Performance Awards have been exercised since the date of the Transfield Services Limited – FY15 Annual Report.

## 2.12 Interests in Broadspectrum securities

### **(a) Bidder's relevant interest in Broadspectrum securities and voting power in Broadspectrum**

As at the date of this Bidder's Statement and immediately before the first Offer was sent, Bidder:

- did not have a relevant interest in any Broadspectrum Shares; and
- did not have a relevant interest in any Broadspectrum Performance Awards.

As at the date of this Bidder's Statement and immediately before the first Offer was sent, Bidder's voting power in Broadspectrum was 0%.

### **(b) Relevant interest of Bidder's directors**

As at the date of this Bidder's Statement, none of the directors of Bidder have a relevant interest in any Broadspectrum Shares or Broadspectrum Performance Awards.

As at the date of this Bidder's Statement and immediately before the first Offer was sent, each director of Bidder had 0% voting power in Broadspectrum.

### **(c) Acquisitions of Broadspectrum Shares by Bidder or associates**

Neither Bidder nor any of its associates has provided (or agreed to provide) consideration for a Broadspectrum Share under a purchase or agreement to purchase during the four months before the date of this Bidder's Statement or in the period between the date of this Bidder's Statement and the date of the Offer.

# 3

## Intentions

### 3.1 Introduction

This Section 3 sets out the rationale for the Offer and Bidder's intentions in relation to:

- the continuation of the business of Broadspectrum;
- any major changes to the business of Broadspectrum and any redeployment of the fixed assets of Broadspectrum; and
- the future employment of the present employees of Broadspectrum.

These intentions are based on the information concerning Broadspectrum, its business and the general business environment that is known to the Bidder at the time of preparation of this Bidder's Statement.

Bidder does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, tax and financial implications of its current intentions. Final decisions regarding these matters will only be made by Bidder in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this Section 3 are statements of current intention only, which may change as new information becomes available to Ferrovial or Bidder or as circumstances change.

Bidder's intentions concerning the businesses, assets and employees of, and securities in, Broadspectrum are the same as the intentions of Ferrovial set out in this Section 3.

### 3.2 Specific Intentions – Broadspectrum Performance Awards

The Offer does not extend to any Broadspectrum Performance Awards. Bidder encourages holders of Broadspectrum Performance Awards to exercise their Broadspectrum Performance Awards before the end of the Offer Period to the extent they are entitled to do so, and accept the Offer in respect of the Broadspectrum Shares issued on exercise.

After the end of the Offer Period, Bidder may seek to acquire any remaining Broadspectrum Performance Awards by doing one or more of the following (at its election):

- a. making a private offer to holders of those Broadspectrum Performance Awards to acquire them; or
- b. where Bidder becomes entitled under Chapter 6A of the Corporations Act to compulsorily acquire all outstanding Broadspectrum Shares, compulsorily acquiring the Broadspectrum Performance Awards.

### 3.3 Intentions upon acquisition of 90% or more of all Broadspectrum Shares

This Section 3.3 sets out Bidder and Ferrovial's current intentions if Bidder acquires relevant interests in 90% or more of the Broadspectrum Shares and it is entitled to proceed to compulsory acquisition of the remaining Broadspectrum Shares under the Corporations Act.

#### (a) Corporate matters

It is intended that Bidder would:

- i. proceed with compulsory acquisition of the outstanding Broadspectrum Shares (including any Broadspectrum Shares issued as a result of the exercise of Broadspectrum Performance Awards after the end of the Offer Period and in the six weeks after Bidder gives the compulsory acquisition notices) in accordance with the provisions of Chapter 6A of the Corporations Act;
- ii. arrange for Broadspectrum to be removed from the official list of ASX;
- iii. replace the Broadspectrum Board with Ferrovial nominees (although Bidder may, in its discretion, seek to retain one or more of the existing Broadspectrum directors). Ferrovial and Bidder have not made any decision as to who would be nominated for appointment to the Broadspectrum Board in this case; and
- iv. Bidder may also proceed to compulsory acquisition of the Broadspectrum Performance Awards which have not been exercised and that have not lapsed, or alternatively pursue other arrangements in relation to those Broadspectrum Performance Awards (see Section 2.10).

#### (b) Future employment of employees

Recognising that Ferrovial does not have a significant presence in the jurisdictions in which Broadspectrum operates, Bidder's intention is to maintain Broadspectrum's key management and the current levels of employment in its operations. Bidder also does not intend to make material changes to the levels of employment in Broadspectrum's corporate head office, other than where appropriate to reflect the fact that Broadspectrum would cease to be a listed company. Employees should note that in the vast majority of the companies that Ferrovial owns outside of Spain, the CEO and key management positions are held by local nationals.



### **(c) General operational review**

If Bidder acquires all of the Broadspectrum Shares, Bidder intends to conduct a broad-based general review of Broadspectrum's corporate structure, assets, businesses, personnel and operations. This review will apply quantitative and qualitative factors to measure performance and areas for improvement.

Bidder does not have any specific intentions in relation to this review or its outcomes.

Given Ferrovial's limited existing operations in Australia, Bidder does not envisage that there will be any material synergies.

Bidder and Ferrovial note the importance of government operations to the Broadspectrum businesses and will take this into consideration when conducting the general operational review.

## **3.4 Intentions upon acquisition of greater than 50.01% but less than 90% of all Broadspectrum Shares**

This Section sets out Bidder's present intentions if Bidder acquires 50.01% or more but less than 90% of all Broadspectrum Shares (assuming that all Broadspectrum Performance Awards are exercised).

In those circumstances, Bidder's current intentions are as follows:

### **(a) Corporate matters**

It is intended that Bidder would:

- i. seek to have Broadspectrum removed from the official list of ASX;
- ii. subject to the Corporations Act and Broadspectrum's constitution, appoint that number of nominees to the Broadspectrum Board such that the proportion which Ferrovial's nominees represent of the total number of directors on the Board equals or exceeds Bidder's proportionate ownership interest in Broadspectrum. In this scenario, Bidder may, in its discretion, seek to retain one or more of the existing directors of Broadspectrum on the Board. Ferrovial and Bidder have not made any decision as to who would be nominated for appointment to the Broadspectrum Board in this case; and
- iii. encourage the Broadspectrum Board to continue not making dividend payments in favour of retaining cash.

In relation to Section 3.4(a)(i) above, ASX guidance indicates that ASX would approve an application for Broadspectrum to be removed from the official list of ASX without the need for shareholder approval if:

- at the end of the Offer, Ferrovial Group owns or controls at least 75% of the Broadspectrum Shares and the Offer has remained open for at least two weeks after the Ferrovial Group attained ownership or control of at least 75% of the Broadspectrum Shares; and
- the number of Broadspectrum Shareholders (other than the Ferrovial Group) having holdings with a value of at least \$500 is fewer than 150.

In addition, ASX guidance indicates that ASX would approve an application for Broadspectrum to be removed from the official list of ASX with shareholder approval and, where such removal is sought later than 12 months after the close of the Offer, Bidder would be entitled to vote on the resolution approving the removal.

### **(b) Other intentions**

It is intended that Bidder would seek to implement such of the intentions as are detailed in Sections 3.3(b) and 3.3(c) as are consistent with Broadspectrum being a controlled entity of Bidder but not a wholly owned subsidiary.

### **(c) Further acquisition of Broadspectrum securities**

Bidder may, at some later time, acquire further Broadspectrum securities in a manner consistent with the Corporations Act.

### **(d) Compulsory acquisition at a later time**

If Bidder becomes entitled at some later time to exercise general compulsory acquisition rights under the Corporations Act in respect of Broadspectrum securities, it may exercise those rights.

### 3.5 Intentions upon acquisition of less than 50.01% of the Broadspectrum Shares

The Offer includes a 50.01% minimum acceptance condition (see Section 7.6(a)). While Bidder has no present intention to waive that condition, it reserves its right to declare the Offer free of that condition (or any other Defeating Condition of the Offer).

This Section 3.5 sets out Bidder's intentions if the Offer is declared free from the 50.01% minimum acceptance condition without Bidder receiving acceptances in respect of at least 50.01% of all Broadspectrum Shares (assuming that all Broadspectrum Performance Awards are exercised).

In those circumstances, Bidder's current intentions are as follows:

#### (a) Corporate matters

It is intended that Bidder would:

- maintain Broadspectrum's listing on ASX, subject to the requirements for listing (including a sufficient spread of investors) continuing to be satisfied. However, ASX may itself decide to remove Broadspectrum from the official list depending upon factors such as spread of Broadspectrum Shareholders at that time, the level of liquidity in Broadspectrum Shares and the listing requirements of ASX;
- subject to the Corporations Act and Broadspectrum's constitution, seek to appoint that number of nominees to the Broadspectrum Board such that the proportion which Ferrovia's nominees represent of the total number of directors on the Board equals or exceeds Bidder's proportionate ownership interest in Broadspectrum. Ferrovia and Bidder have not made any decision as to who would be nominated for appointment to the Broadspectrum Board in this case; and
- encourage the Broadspectrum Board to continue not making dividend payments in favour of retaining cash.

#### (b) General operational review

Bidder, through its nominees on the Broadspectrum Board, is likely to propose that Broadspectrum implement a general operational review of the nature referred to in Section 3.3(c), with the aim of pursuing, to the maximum extent possible and appropriate, the types of opportunities which might have been available to Bidder if Bidder had acquired 100% of Broadspectrum. However, there is no assurance that those opportunities will be available, or would deliver the same benefits for remaining Broadspectrum Shareholders, if Broadspectrum is not 100% owned by Bidder.

#### (c) Further acquisition of Broadspectrum Shares

Bidder may, at some later time, acquire further Broadspectrum Shares in a manner consistent with the Corporations Act.

#### (d) Compulsory acquisition at a later time

If Bidder becomes entitled at some later time to exercise general compulsory acquisition rights under the Corporations Act, it may exercise those rights.

### 3.6 Other intentions

Other than as set out in this Section 3, it is the present intention of Ferrovia or Bidder to procure that Broadspectrum will:

- generally continue the business of Broadspectrum;
- not make any major changes to the business of Broadspectrum nor to redeploy any of the fixed assets of Broadspectrum; and
- continue the employment of Broadspectrum's present operational employees.

### 3.7 Limitations on intentions

The intentions and statements of future conduct set out in this Section 3 must be read as being subject to:

- the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and 'related party' transactions given that, if Bidder obtains control of Broadspectrum but does not acquire all of the Broadspectrum Shares, it and Ferrovia will be treated as related parties of Broadspectrum for these purposes;
- the legal obligation of the Broadspectrum Directors at the time, including any nominees of Bidder or Ferrovia, to act in good faith in the best interests of Broadspectrum and for proper purposes and to have regard to the interests of all Broadspectrum Shareholders; and
- the outcome of the reviews referred to in Sections 3.3(c) and 3.5(b).

# 4

## Sources of Consideration

## 4.1 Consideration under the Offer

The consideration for the acquisition of the Broadspectrum Shares to which the Offer relates will be satisfied by the payment of cash (in Australian dollars). The consideration offered for each of your Broadspectrum Shares is \$1.35, subject to Section 7.8(d).

As at the date of this Bidder's Statement, there are 512,457,716 Broadspectrum Shares on issue, including 92,120 treasury shares outstanding (being Broadspectrum Shares held by TranShare Plan Trust for the purpose of awarding shares under certain Broadspectrum employee share plans). In addition, a further 17,167,359<sup>1</sup> could potentially be issued as a result of the vesting of all Broadspectrum Performance Awards.

The maximum number of Broadspectrum Shares which could be acquired by Bidder is therefore 529,625,075. Accordingly, the maximum Offer consideration which may be required by Bidder to settle acceptances under the Offer is \$715 million (**Maximum Offer Consideration**).

## 4.2 Funding for the Maximum Offer Consideration

Ferrovia has undertaken to Bidder to provide, or procure the provision of funds to Bidder to satisfy the Maximum Offer Consideration and all costs associated with the Offer. That undertaking is not subject to any conditions and no demand for repayment of any funds provided may be made during the period in which Bidder has an outstanding obligation to make payment under the offer.

Ferrovia will source the necessary funds to be made available to Bidder to pay the Offer consideration (and costs associated with the Offer) from Ferrovia's existing cash reserves and existing bank facilities. As at the date of this Bidder's Statement, Ferrovia has a total funding capacity well in excess of the Maximum Offer Consideration. As at 30 September 2015, this comprises:

- a. total cash of €2,498 million; and
- b. total undrawn lines of credit of €1,284 million,

which, in aggregate, is well in excess of the Maximum Offer Consideration amount.

Ferrovia's undrawn lines of credit are under credit facilities (the **Facilities**) available to the Ferrovia Group from a number of banks, namely Banco Bilbao Vizcaya Argentaria, S.A., Banco de Sabadell, S.A., Banco Popular Español, S.A., Banco Santander, S.A., Bank of America Merrill Lynch, Bankinter, S.A., Barclays Bank Plc, BNP Paribas, Sucursal En España, Citibank International Limited, Credit Agricole, Sucursal En España, Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, HSBC Bank Plc, Intesa San Paolo S.P.A. Sucursal En España, Instituto de Crédito Oficial, J.P. Morgan Securities Plc, Mediobanca, Mizuho Bank Nederland N.V., Morgan Stanley Bank, N.A., RBC Europe Limited, Société Générale, The Royal Bank of Scotland Plc, Ibercaja Banco S.A., Lloyds Bank Plc., Royal Bank of Canada Plc. and Abbey National Treasury Services Plc (Santander). Facilities in excess of the Offer consideration will remain available for drawdown during the period in which payment will become due under the Offer, provided that standard conditions precedent are met. Ferrovia is able to satisfy any relevant conditions precedent in respect of the Facilities and expects to continue to satisfy such conditions.

Ferrovia has not decided what proportion of the funds will be drawn from either of the funding sources in (a) and (b) above.

Ferrovia does not anticipate any restriction on the availability of funds for the purposes of funding Bidder's Offer.

## 4.3 Provision of consideration

On the basis of the arrangements described in this Section 4, Bidder believes that it has reasonable grounds for holding the view, and does hold the view, that it will be able to provide the consideration offered under the Offer as well as meet the associated transaction costs and expenses.

1. Based on information contained in the Transfield Services Limited – FY15 Annual Report, this figure has been calculated based on the number of Broadspectrum Performance Awards outstanding as at the date of this Bidder's Statement. This figure excludes Broadspectrum Performance Awards listed in the FY15 Annual Report that have expired post 30 June 2015, and includes Broadspectrum Performance Awards that were subsequently approved at the 2015 AGM. Since the actual number of rights that were issued following the 2015 AGM has not been disclosed, it is assumed that 650,724 rights will be issued to Graeme Hunt, given this is the number disclosed in the Transfield Services Limited – FY15 Annual Report. This figure assumes that no Broadspectrum Performance Awards have been exercised since the date of the Transfield Services Limited – FY15 Annual Report.

# 5

## Australian Tax Considerations

## 5.1 Introduction

The following is a general description of the Australian income and capital gains tax (**CGT**) consequences to Broadspectrum Shareholders on disposing of their Broadspectrum Shares (through acceptance of the Offer) in return for cash consideration. The Australian taxation consequences for Broadspectrum Shareholders will depend on their individual circumstances. Broadspectrum Shareholders should make their own enquiries and seek independent professional advice on their circumstances.

The comments set out below are relevant only to those Broadspectrum Shareholders who hold their Broadspectrum Shares as capital assets for the purpose of investment and who do not (or would not) hold those shares in connection with the conduct of a business or under a Broadspectrum Executive Performance Awards Plan or other employee share scheme. These comments relate to Broadspectrum Shares only, and not to options or other rights held over Broadspectrum Shares.

Certain Broadspectrum Shareholders, such as those engaged in a business of trading or investment, those who acquired their Broadspectrum Shares for the purpose of resale at a profit or those which are banks, insurance companies, tax exempt organisations, superannuation funds, or persons who acquired their Broadspectrum Shares in respect of their employment with Broadspectrum will or may be subject to special or different tax consequences peculiar to their circumstances.

Broadspectrum Shareholders who are not resident in Australia for tax purposes should also take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of the disposal of Broadspectrum Shares under the Offer.

The following description is based upon Australian taxation law and practice in effect as at the date of this Bidder's Statement. It is not intended to be an authoritative or complete statement or analysis of the taxation laws applicable to the particular circumstances of every Broadspectrum Shareholder. Broadspectrum Shareholders should seek independent professional advice regarding the taxation consequences of disposing of Broadspectrum Shares in the light of their own particular circumstances.

## 5.2 Australian resident Broadspectrum Shareholders

Acceptance of the Offer will involve the disposal by Broadspectrum Shareholders of their Broadspectrum Shares, by way of transfer to Bidder.

In relation to Broadspectrum Shares held on capital account and acquired, or deemed to have been acquired, by the relevant Broadspectrum Shareholders before 20 September 1985, such disposal should not give rise to any CGT implications.

Conversely, the disposal of Broadspectrum Shares acquired, or deemed to have been acquired, on or after 20 September 1985 and which are held on capital account will generally have CGT implications. Such disposal will constitute a CGT event for CGT purposes.

Australian resident Broadspectrum Shareholders may make a capital gain or capital loss on the disposal of their Broadspectrum Shares under the Offer.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. If so, that net capital gain is included in assessable income and is subject to income tax. However, a 'CGT Discount' may be available to reduce the taxable gain for certain Broadspectrum Shareholders (see further below).

Capital losses may not be deducted against other income for income tax purposes, but may be offset against capital gains realised in the same income year or be carried forward to be offset against future capital gains.

In general, the capital gain or loss arising on the disposal of a Broadspectrum Share under the Offer will be calculated on the basis of the difference between the value of the capital proceeds (i.e. the cash consideration received from Bidder) and the cost base of the share.

The cost base of Broadspectrum Shares is generally their cost of acquisition or deemed cost of acquisition. Certain other amounts associated with acquisition and disposal, such as brokerage or stamp duty, may be added to the cost base. The capital loss will be calculated on the basis of the difference between the capital proceeds and the reduced cost base of the share.

However, if a Broadspectrum Share was acquired (or deemed to be acquired) at or before 11.45 am on 21 September 1999, the cost base may be indexed for inflation, by reference to changes in the Consumer Price Index from the calendar quarter in which the Broadspectrum Share was acquired (or deemed to be acquired) until the calendar quarter ended 30 September 1999. Broadspectrum Shareholders who are individuals, complying superannuation entities or trustees of a trust must make an election if they wish to rely on indexation. Companies will be entitled to include the indexation without making an election. Indexation adjustments are taken into account only for the purposes of calculating a capital gain, and not a capital loss.

On the other hand, if a Broadspectrum Share was acquired (or deemed to be acquired) after 11.45 am on 21 September 1999, the capital gain or loss is generally calculated on the difference between the capital proceeds and the cost base for the share, with no indexation.

A Broadspectrum Shareholder who is an individual, complying superannuation entity or trustee of a trust, and who does not or cannot elect to adjust their cost base for indexation (as described above), may choose to claim a 'CGT Discount' if they acquired (or are deemed to have acquired) their Broadspectrum Shares 12 months or more before the time they accept the Offer (or, if later, the time when the Defeating Conditions in Section 7.6 are satisfied or waived). This means that:

- in the case of an individual (and, generally speaking, a trustee of a trust), only one-half of their net capital gain on those shares (after deducting available capital losses) will be taxable; and
- in the case of a complying superannuation entity, only two-thirds of their net capital gain on those shares (after deducting available capital losses) will be taxable.

Broadspectrum Shareholders who are trustees should obtain specific advice in this regard, including in relation to the tax consequences of distributions attributable to discounted capital gains.

Broadspectrum Shareholders should note that any available capital losses will be deducted from the gross capital gain before the CGT Discount is applied.

Whether it is better for any given Broadspectrum Shareholder to make the indexation election or not will depend upon the particular Broadspectrum Shareholder's individual circumstances, including the cost base of the Broadspectrum Shares and whether the Broadspectrum Shareholder has any available losses. Broadspectrum Shareholders should consult their own tax advisers in this regard.

The 'CGT Discount' is not available to companies, nor does it apply to Broadspectrum Shares owned (or deemed to be owned) for less than the relevant 12 month period.

### 5.3 Non-Australian resident Broadspectrum Shareholders

A Broadspectrum Shareholder who is not a resident of Australia for taxation purposes (a **Foreign Resident**) will not make a taxable capital gain on the disposal of Broadspectrum Shares under the Offer unless their Broadspectrum Shares are taxable Australian property.

Broadspectrum Shares held by a Foreign Resident will not be taxable Australian property unless:

- a. both of the following requirements are satisfied:
  - i. the Foreign Resident (and any associates) hold, or have the option or right to acquire, 10% or more of the issued Broadspectrum Shares or the Foreign Resident (and any associates) previously held 10% or more of the issued Broadspectrum Shares for a continuous 12 month period during the two years prior to the disposal of the Broadspectrum Shares under the Offer; and
  - ii. the total market value of Broadspectrum's Australian real property assets (including any mining, quarrying or prospecting rights for minerals, petroleum or quarry minerals which are situated in Australia) is more than 50% of the total market value of Broadspectrum's assets; or
- b. they were used at any time by the Foreign Resident in carrying on a business through a permanent establishment in Australia.

If you are a non-Australian tax resident, it is recommended that you obtain your own independent professional advice as to the Australian tax consequences arising from the disposal of your Broadspectrum Shares.

### 5.4 Stamp duty and GST

Bidder will pay the stamp duty (if any) payable in Australia on the transfers of Broadspectrum Shares under the Offer. No GST will be payable on such transfers, except that GST will be payable on any fees or charges that a Controlling Participant (in respect of Broadspectrum Shares in a CHESS Holding) or a broker, bank, custodian or other nominee (in respect of Broadspectrum Shares held for a separate beneficial owner) may charge in connection with acceptance of the Offer.

# 6

## Other Material Information



## 6.1 ASIC modifications and exemptions

ASIC has published various 'Class Order' instruments providing for modifications and exemptions that apply generally to all persons, including Bidder, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, Bidder has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 5(d) of ASIC Class Order 13/521 'Takeover Bids' to include references to certain statements by Broadspectrum and include names of other parties who have made statements included in this Bidder's Statement without obtaining the consent of those persons. The relevant statements were respectively taken from:

- Transfield Services Limited – FY15 Annual Report;
- Transfield Services Limited – FY15 AGM investor presentation slides 28 October 2015;
- Transfield Services Limited – FY15 Transcript of Full 2015 Results Conference Call, 27 August 2015;
- Transfield Services Limited – FY15 Full Year Results Presentation 27 August 2015;
- Transfield Services Limited – FY14 Annual Report;
- Transfield Services Limited – FY13 Annual Report;
- certain Broadspectrum ASX announcements as listed in Annexure 1 to this Bidder's Statement;
- Transfield Services Limited ASX Statement, 24 February 2014;
- Transfield Services Limited ASX Announcement, 31 August 2015; and
- Invesco Australia Limited, Form 604: Notice of Change of Interests of Substantial Holder, 2 December 2015.

As required by Class Order 13/521, Bidder will make available a copy of these documents (or relevant extracts of these documents), free of charge, to Broadspectrum Shareholders who request them during the Bid Period. To obtain a copy of these documents (or the relevant extracts), Broadspectrum Shareholders may telephone the Offer Information Line on 1300 782 154 (within Australia) or +61 3 9415 4131 (from outside Australia).

In addition, as permitted by ASIC Class Order 07/429, this Bidder's Statement contains trading data sourced from IRESS, Bloomberg and Thomson Reuters without their consent.

ASIC has made a declaration in respect of the Offer to give relief in relation to the modification of the terms of the Offer. See Annexure 2 for a copy of the ASIC instrument granting such relief.

## 6.2 No escalation agreements

Neither Ferrovia, Bidder nor any of their associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

## 6.3 Potential for waiver of Defeating Conditions

The Offer is subject to a number of conditions set out in Section 7.6, including a minimum acceptance condition (see Section 7.6(a)).

If an event occurs which results (or would result) in the non-fulfilment of a Defeating Condition, Bidder might not make a decision as to whether it will either rely on that occurrence, or instead waive the Defeating Condition in respect of that occurrence, until the date for giving notice as to the status of the conditions of the Offer under section 630(3) of the Corporations Act (see Section 7.7(e)).

If any of the Defeating Conditions is not fulfilled, and Bidder decides to rely on that non-fulfilment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and the relevant Broadspectrum Shares will be returned to the holder. If the Defeating Condition in Section 7.6(b) is not fulfilled, and Bidder decided to rely on that non-fulfilment, then no contract will be capable of arising at all from acceptance of the Offer.

## 6.4 Foreign investment approvals – FIRB and NZ OIO

Bidder is a foreign person under the FATA because of its ultimate holding company, Ferrovia (a foreign company). Accordingly, the Offer is subject to the approval or non-objection of the Treasurer, who receives advice from FIRB, under the FATA (see Section 7.6(b)). Approval will not be given to the Offer if the Treasurer, on advice from FIRB, considers that the result of the Bidder's acquisition of Broadspectrum Shares will be contrary to the national interest.

Ferrovia and Bidder have filed the necessary application, together with a detailed submission, with FIRB before the date of this Bidder's Statement.

Due to Broadspectrum's New Zealand operations, Bidder will also require approval or clearance under the *Overseas Investment Act 2005* (New Zealand) and the *Overseas Investment Regulations 2005* (New Zealand) for the acquisition of Broadspectrum Shares under the Offer (see Section 7.6(c)).

Ferrovial and Bidder intend to file the necessary application, together with a detailed submission, with the New Zealand Overseas Investment Office as soon as practicable after the date of this Bidder's Statement.

The Offer is subject to a condition that, before the end of the Offer Period, Bidder obtains all consents, approvals and clearances under the *Overseas Investment Act 2005* (New Zealand) and the *Overseas Investment Regulations 2005* (New Zealand).

## 6.5 Status and effect of other Defeating Conditions

Section 6.4 describes matters relevant to the status, purpose and/or effect of the Defeating Conditions in Sections 7.6(b) and 7.6(c). This Section 6.5 describes the status of the remaining Defeating Conditions of the Offer.

In relation to the Defeating Condition in Section 7.6(d), Bidder is not aware, as at the date of this Bidder's Statement, of any decision, action or investigation which would result in the non-fulfilment of that condition. Other than as set out in Section 6.4, Bidder has not identified, as at the date of this Bidder's Statement, any particular regulatory actions or approvals which could lead to that condition being triggered or which would be relevant to the Defeating Condition in Section 7.6(d). However, it should be noted that it is not feasible for Bidder to identify in advance all such regulatory actions or related regulatory approvals, as Broadspectrum conducts its business in a number of jurisdictions and Bidder has not had access to detailed information regarding Broadspectrum's operations and assets in those jurisdictions, and whether they are subject to particular approvals or conditions.

As at the date of this Bidder's Statement, Bidder is not aware of any events or circumstances which would result in the non-fulfilment of any of the Defeating Conditions in Sections 7.6(d) to 7.6(i). As at the date of this Bidder's Statement, Bidder is aware that there may be change of control or other rights under material contracts of the type referred to in Section 7.6(h), but it is not aware whether those change of control or other rights would result in the non-fulfilment of that Defeating Condition, as it is not aware whether the holder of that right will waive or release that right, as permitted by that condition, so that the condition is not triggered by the existence of that right.

## 6.6 Broker commission

As at the date of this Bidders' Statement, Bidder had not made a decision as to whether to offer to pay a commission to brokers who solicit acceptances of the Offer by a Broadspectrum Shareholder. However, Bidder reserves the right to introduce such an arrangement.

## 6.7 Social security and superannuation implications of the Offer

Acceptance of the Offer may have implications under your superannuation or pension arrangements or on your social security entitlements. If in any doubt, Broadspectrum Shareholders should seek specialist advice before accepting the Offer.

## 6.8 Approvals for payment of consideration

Bidder is not aware of any Broadspectrum Shareholders who require any approval referred to in Section 7.8(e) in order to be entitled to receive any consideration under the Offer.

## 6.9 Withholding of consideration

Bidder is not currently aware of any amounts that are or would be treated as withholding amounts under Section 7.8(f). However, it is possible that Bidder may become aware of an obligation in this regard after the date of this Bidder's Statement.

For example, under section 255 of the *Income Tax Assessment Act 1936* (Cth), the Australian Taxation Office may notify Bidder that all or part of the consideration otherwise payable under the Offer to Broadspectrum Shareholders who are non-residents of Australia is to be retained by Bidder, or paid to the Australian Taxation Office, instead of being paid to the relevant Broadspectrum Shareholders. Similarly, under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the Australian Taxation Office may require Bidder to pay to the Australian Taxation Office all or part of the consideration otherwise payable under the Offer to Broadspectrum Shareholders who owe tax-related debts to the Australian Government.

## 6.10 No collateral benefits

Except as set out below, neither Bidder nor any of its associates has in the four months before the date of this Bidder's Statement, or in the period between the date of this Bidder's Statement and the date of the Offer, given, offered to give or agreed to give a benefit which is not offered to all Broadspectrum Shareholders under the Offer to another person which was likely to induce the other person (or an associate) to accept the Offer or dispose of Broadspectrum Shares.

## 6.11 Consents

This Bidder's Statement contains statements made by, or statements based on statements made by, Ferrovia. Ferrovia has consented to being named in this Bidder's Statement and has consented to the inclusion of:

- each statement it has made; and
- each statement which is said in this Bidder's Statement to be based on a statement it has made,

in the form and context in which the statements have been included, and has not withdrawn that consent.

The following firms and companies have given, and have not at the date of this Bidder's Statement withdrawn, their written consent to being named in this Bidder's Statement and to the inclusion of the following information in the form and context in which it is included. None of the following firms and companies has caused or authorised the issue of this Bidder's Statement or has in any way been involved in the making of the Offer. The Offer is made by Bidder.

- Ferrovia and its subsidiaries have given written consent to be named in this Bidder's Statement in the form and context in which they are so named and to the inclusion of each statement they have made, in the form and context in which the statements appear and have not withdrawn that consent at the date of this Bidder's Statement.
- UBS (financial adviser to Bidder) has given written consent to be named in this Bidder's Statement in the form and context in which it is so named and has not withdrawn that consent as at the date of this Bidder's Statement.
- Allens (legal adviser to Bidder) has given written consent to be named in this Bidder's Statement in the form and context in which it is so named and has not withdrawn that consent as at the date of this Bidder's Statement.
- Computershare Investor Services Pty Limited (Bidder's share registry provider) has given written consent to be named in this Bidder's Statement in the form and context in which it is so named and has not withdrawn that consent as at the date of this Bidder's Statement.

In addition, this Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the persons making those statements are not required to consent to, and have not consented to, the inclusion of those statements, or of statements based on those statements, in this Bidder's Statement. See Section 6.1.

## 6.12 Other material information

Except as disclosed in this Bidder's Statement, there is no other information that:

- is material to the making of the decision by a Broadspectrum Shareholder whether or not to accept the Offer; and
- is known to Bidder,

which has not previously been disclosed to Broadspectrum Shareholders.

# 7

## Offer Terms

## 7.1 Offer

- a. Bidder offers to acquire all of your Broadspectrum Shares on the terms and subject to the conditions set out in this Section 7.
- b. The consideration offered for each of your Broadspectrum Shares is \$1.35 in cash.
- c. If Bidder acquires your Broadspectrum Shares under this Offer, it will also be entitled to all Rights in respect of your Broadspectrum Shares.
- d. This Offer is dated 6 January 2016.

## 7.2 Offer Period

- a. This Offer will remain open for acceptance during the period that commences on the date of this Offer and ends at 7pm on 8 February 2016, unless this Offer is withdrawn or that period is extended in accordance with the Corporations Act.
- b. Bidder may, in accordance with the Corporations Act, extend the period during which this Offer remains open for acceptance.

## 7.3 How to accept this Offer

### (a) General matters

- i. You may accept this Offer at any time during the Offer Period, in the manner provided in this Section 7.3.
- ii. Subject to Sections 7.9(c) and 7.9(d), you may only accept this Offer for all, and not some only, of your Broadspectrum Shares.
- iii. The manner in which you accept this Offer will depend on whether your Broadspectrum Shares are in an Issuer Sponsored Holding (see Section 7.3(b)) or in a CHESS Holding (see Section 7.3(c)).
- iv. If some of your Broadspectrum Shares are in an Issuer Sponsored Holding, and some of your Broadspectrum Shares are in a CHESS Holding, your acceptance of this Offer will require separate action in relation to the separate portions of your Broadspectrum Shares.

### (b) Issuer Sponsored Holdings

If your Broadspectrum Shares are held in an Issuer Sponsored Holding (in which case your Securityholder Reference Number will commence with 'I'), to accept this Offer in respect of those Broadspectrum Shares you must:

- i. **complete** and **sign** the enclosed Acceptance Form in accordance with the instructions on it; and
- ii. **return** the Acceptance Form (using the enclosed reply paid envelope if you wish), together with all other documents required by the instructions on it, so that they are **received** before the end of the Offer Period at one of the addresses indicated on the Acceptance Form.

### (c) CHESS Holdings

If your Broadspectrum Shares are held in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), to accept this Offer in respect of those Broadspectrum Shares you must either:

- i. **instruct** your Controlling Participant, in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules, so as to be effective before the end of the Offer Period; or
- ii. **complete, sign and return** the enclosed Acceptance Form (using the enclosed reply paid envelope if you wish) in accordance with the instructions on the Acceptance Form, together with all other documents required by those instructions, so that they are **received** before the end of the Offer Period at the address on the Acceptance Form. This will authorise Bidder to initiate, or alternatively to instruct your Controlling Participant to initiate, acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. You must ensure that the Acceptance Form (and the other required documents) are received in sufficient time for Bidder to give instructions to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period.

However, if you are the Controlling Participant in respect of your Broadspectrum Shares, to accept this Offer you must yourself initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

#### **(d) Institutional Acceptance Facility**

Bidder recognises that some of the Broadspectrum Shareholders may be unable to accept the Offer, for example by reason of their investment mandates, until the Offer becomes or is declared unconditional. Accordingly, Bidder is considering establishing an institutional acceptance facility (**Facility**) in relation to the Offer. The Facility would only be open to professional investors under the Corporations Act (**Eligible Broadspectrum Shareholders**). The Facility would enable Eligible Broadspectrum Shareholders to indicate their intention to accept the Offer.

If Bidder decides to establish the Facility, it will inform Broadspectrum Shareholders once the Facility is established.

## **7.4 Status and effect of the Acceptance Form**

#### **(a) Status of Acceptance Form**

The Acceptance Form that accompanies this Bidder's Statement forms part of this Offer, and the instructions on the Acceptance Form must be followed in using it to accept this Offer.

#### **(b) Effect of Acceptance Form**

By signing and returning the Acceptance Form in accordance with Section 7.3, you irrevocably authorise Bidder and its nominees:

- i. to rectify any errors in, or omissions from, the Acceptance Form that are necessary to make it an effective acceptance of this Offer or to enable registration of the transfer of all of your Broadspectrum Shares to Bidder; and
- ii. (in respect of any of your Broadspectrum Shares in a CHESS Holding) to:
  - (A) initiate, or alternatively instruct your Controlling Participant to initiate, acceptance of this Offer in respect of all such Broadspectrum Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
  - (B) give any other instructions concerning those Broadspectrum Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, as determined by Bidder acting in its own interests as a beneficial owner and intended registered holder of your Broadspectrum Shares.

#### **(c) Validation of Acceptance Form**

- i. Subject to this Section 7.4(c), your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in Section 7.3.
- ii. Bidder will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Bidder is not required to communicate with you prior to making this determination. The determination of Bidder will be final and binding on all parties.
- iii. Notwithstanding any other term or condition to the contrary, Bidder may (except in relation to Broadspectrum Shares in a CHESS Holding) treat the receipt by it of a signed Acceptance Form as valid even though it does not receive the other documents required by the instructions on the Acceptance Form or there is not compliance with any one or more of the other requirements for acceptance. If Bidder does treat such an Acceptance Form as valid, subject to Section 7.8, Bidder will not be obliged to give the consideration to you until Bidder receives all those documents and all of the requirements for acceptance referred to in Section 7.3 and in the Acceptance Form have been met (other than the requirement of your Acceptance Form to be received before the end of the Offer Period).
- iv. Where you have satisfied the requirements for acceptance in respect of only some of your Broadspectrum Shares, Bidder may, in its sole discretion, regard the Offer to be accepted in respect of those of your Broadspectrum Shares but not the remainder.
- v. Bidder will provide the consideration to you in accordance with Section 7.8, in respect of any part of an acceptance determined by Bidder to be valid.

#### **(d) Power of attorney or deceased estate**

When accepting this Offer, you should also forward for inspection:

- i. if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
- ii. if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Broadspectrum Shareholder, the relevant grant of probate or letters of administration.

#### **(e) Risk in Acceptance Form**

The transmission by you of the Acceptance Form and any other documents in accordance with Section 7.3 is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of Bidder.

**(f) Revocation of acceptance**

- i. Once you have accepted this Offer and the Defeating Condition set out in Section 7.6(b) has been fulfilled, you will be unable to revoke your acceptance other than as set out in this Section 7.4(f) and the contract resulting from your acceptance will be binding on you.
- ii. In addition, once the Defeating Condition set out in Section 7.6(b) has been fulfilled, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your Broadspectrum Shares, except as follows:
  - (A) if a Defeating Condition, as set out in Section 7.6, is not fulfilled or waived, then this Offer will automatically terminate and your Securities will be returned to you; or
  - (B) if the Offer Period is extended for more than one month and, at the time, this Offer is subject to one or more Defeating Conditions, as set out in Section 7.6, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.
- iii. The Defeating Condition set out in Section 7.6(b) is a condition precedent to Bidder's acquisition of any interest in Broadspectrum under this Offer. Notwithstanding your acceptance of the Offer, unless and until this Defeating Condition is fulfilled or waived, you will be able to withdraw your acceptance of the Offer.

## 7.5 Agreement resulting from acceptance

By signing and returning the Acceptance Form or initiating or causing acceptance of this Offer under the ASX Settlement Operating Rules in accordance with Section 7.3:

- a. you accept this Offer in respect of all of your Broadspectrum Shares at the date your acceptance is processed (even if the number of Broadspectrum Shares specified on the Acceptance Form differs from the number of your Broadspectrum Shares) and agree to the terms and conditions of this Offer;
- b. subject to all of the Defeating Conditions being fulfilled or waived, you transfer, and consent to the transfer in accordance with the ASX Settlement Operating Rules of, all of your Broadspectrum Shares to Bidder in accordance with this Offer and subject to the conditions of the constitution of Broadspectrum on which they were held immediately before your acceptance of this Offer (and Bidder agrees to take those Broadspectrum Shares subject to those conditions);
- c. you represent and warrant to Bidder that, at the time of your acceptance and at the time the transfer of your Broadspectrum Shares to Bidder is registered:
  - i. all of your Broadspectrum Shares are and will be fully paid;
  - ii. you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Broadspectrum Shares to Bidder; and
  - iii. Bidder will acquire good title to your Broadspectrum Shares and full beneficial ownership of those shares free from all Encumbrances, interests of third parties of any kind (whether legal or otherwise) and restrictions on transfer;
- d. except where Rights have been paid or accounted for under Section 7.5(i), or the Bidder has waived its entitlement as permitted by clause 7.8(d), you irrevocably authorise Bidder to deduct from the consideration payable in respect of your Broadspectrum Shares, the value of any Rights paid to you in respect of your Broadspectrum Shares which, where the Rights take a non-cash form, will be the value of those Rights as reasonably assessed by Bidder;
- e. you irrevocably authorise Bidder to notify Broadspectrum on your behalf that your place of address for the purpose of serving notices upon you in respect of your Broadspectrum Shares is the address specified by Bidder in the notification;
- f. subject to all of the Defeating Conditions being fulfilled or waived, you irrevocably appoint Bidder and each of its directors and nominees severally as your attorney to exercise all powers and rights that you have as the registered holder of your Broadspectrum Shares, including:
  - i. attending any meeting of Broadspectrum, and voting in respect of your Broadspectrum Shares, proposing or seconding any motion, and demanding a poll for any vote at, any such meeting;
  - ii. requisitioning the convening of any general meeting of Broadspectrum and convening a general meeting pursuant to any such requisition; and
  - iii. signing any form, notice, instrument or other document (including any proxy appointment) relating to your Broadspectrum Shares.

Such appointment will terminate on the earlier of the withdrawal of your acceptance of this Offer (either in accordance with its terms or under section 650E of the Corporations Act) and the end of the Offer Period or, if all Defeating Conditions of the Offer have been fulfilled or waived, the registration of Bidder as the holder of your Broadspectrum Shares;

- g. you agree that, in exercising the powers and rights conferred by the power of attorney in Section 7.5(f), each attorney may act in the interests of Bidder as the intended registered holder and beneficial owner of your Broadspectrum Shares;
- h. except as contemplated by Section 7.5(f) and while the appointment in that Section continues, you agree not to attend or vote in person or by proxy, attorney or corporate representative at any meeting of Broadspectrum, or to exercise or purport to exercise (in person or by proxy, attorney, or corporate representative or otherwise) any of the powers conferred by the power of attorney in Section 7.5(f);
- i. you irrevocably authorise and direct Broadspectrum to pay to Bidder, or to account to Bidder for, all Rights in respect of your Broadspectrum Shares (except to the extent that Bidder elects to waive its entitlement to those Rights), subject, however, to any such Rights received by Bidder being accounted for by Bidder to you if any contract resulting from your acceptance of this Offer is rescinded or rendered void;
- j. subject to all of the Defeating Conditions being fulfilled or waived, you irrevocably authorise Bidder and its nominees to do all things necessary to transfer your Broadspectrum Shares to Bidder (including to cause a message to be transmitted in accordance with ASX Settlement Rule 14.17.1 so as to transfer your Broadspectrum Shares, if held in a CHESS Holding, to the Takeover Transferee Holding), even if Bidder has not at that time paid or provided the consideration due to you under this Offer;
- k. you agree to do all such acts, matters and things that Bidder may require to give effect to the matters the subject of this Section 7.5 (including the execution of a written form of proxy to the same effect as this Section 7.5 which complies in all respects with the requirements of the constitution of Broadspectrum) if requested by Bidder;
- l. you agree to indemnify Bidder and each of its agents in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or your Securityholder Reference Number or in consequence of the transfer of your Broadspectrum Shares to Bidder being registered by Broadspectrum without production of your Holder Identification Number or your Securityholder Reference Number; and
- m. you represent and warrant to Bidder that, unless you have notified it in accordance with Sections 7.9(c) and 7.9(d), your Broadspectrum Shares do not consist of separate parcels of Broadspectrum Shares.

The representations, warranties, authorities and indemnity referred to in this Section 7.5 will (unless otherwise stated) remain in force after you receive the Offer consideration for your Broadspectrum Shares and after Bidder becomes the registered holder of those shares.

## 7.6 Defeating Conditions

Subject to Section 7.6(a), this Offer and any contract resulting from your acceptance of this Offer are subject to the fulfilment of the following Defeating Conditions.

### (a) Minimum acceptance

Prior to the end of the Offer Period, Bidder has a relevant interest in such number of Broadspectrum Shares which represents at least 50.01% of all the Broadspectrum Shares.

### (b) Foreign investment approval

Prior to the end of the Offer Period, either:

- i. the Treasurer (or his delegate) has provided written notice that there are no objections under the FATA to the acquisition of Broadspectrum Shares under the Offer, and that notice is not subject to any condition; or
- ii. the Treasurer becomes precluded by passage of time from making any order or decision under Division 2 of Part 3 of the FATA in respect of the acquisition of Broadspectrum Shares under the Offer.

### (c) New Zealand Overseas Investment Office Approval

Prior to the end of the Offer Period Bidder has received all consents, approvals or clearances required under the *Overseas Investment Act 2005* (New Zealand) and the *Overseas Investment Regulations 2005* (New Zealand) for the implementation of the Offer and such consents, approvals or clearances (as the case may be) have not been withdrawn, suspended, revoked or adversely amended before the close of the Offer Period.

### (d) No regulatory actions

During the period from the date of this Bidder's Statement to the end of the Offer Period (each inclusive), there is not in effect;

- i. any temporary restraining order, preliminary or permanent injunction, decision, decree or other order issued by any court of competent jurisdiction or by any Public Authority; or
- ii. any other legal restraint or prohibition and no action or investigation is announced or commenced by any Public Authority, (other than an application to, or decision of, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act in consequence of or in connection with the Offer), which restrains, prohibits or otherwise materially adversely impedes or impacts upon (or could reasonably be expected to restrain, prohibit or otherwise materially adversely impede or impact upon):



- iii. the making of the Offer or the completion of any transaction contemplated by the Offer; or
- iv. the rights of Bidder in respect of Broadspectrum or the Broadspectrum Shares, or requires the divestiture by Bidder of any Broadspectrum Shares or the divestiture of any assets of the Broadspectrum Group.

**(e) No dividends**

During the period from the date of this Bidder's Statement to the end of the Offer Period (each inclusive), Broadspectrum does not declare or pay any dividends or other distributions.

**(f) No material adverse change**

Other than as publicly announced by Broadspectrum to ASX prior to the date of this Bidder's Statement, between the date of this Bidder's Statement and the end of the Offer Period (each inclusive), no event, change or condition occurs, is announced or becomes known to Ferrovia or Bidder (whether or not it becomes public) where that event, change or condition has had, or could reasonably be expected to have, either individually or in aggregate with all such events, changes and conditions:

- i. an adverse effect of \$10 million or more on the operating earnings before interest, tax, depreciation and amortisation of the Broadspectrum Group in any financial year; or
- ii. an adverse effect of \$50 million or more on the value of the net assets of the Broadspectrum Group,

except for events, changes and conditions that are or that arise from:

- i. changes in exchange rates; or
- ii. general changes in economic, political or business condition,

in each case, which impact businesses of a similar nature to the business of Broadspectrum in a similar manner.

**(g) No material acquisitions, disposals, new commitments or other events**

None of the following events occurs during the period from the date of this Bidder's Statement to the end of the Offer Period, (each inclusive):

- i. **(material acquisitions or disposals)** any Broadspectrum Group entity acquires or disposes of any entities, businesses or assets (or any interest in any entities, businesses or assets) for an amount or consideration in excess of \$15 million for any individual item or in excess of \$30 million in aggregate excluding the disposal of Broadspectrum Group's interest in Ratch Australia Corporation Limited on arm's length terms;
- ii. **(material arrangements)** any Broadspectrum Group entity enters into or varies in a material respect any joint venture or partnership, or any agreements, the result of which requires or is reasonably likely to involve payments, expenditure, or the foregoing or loss of forecast revenue, by Broadspectrum Group entities in excess of \$10 million individually, or \$20 million in aggregate;
- iii. **(loss of Potential New Major Contract)** where, after the date of this Bidder's Statement, an event occurs or is announced which materially impacts the likelihood of Broadspectrum being awarded a previously announced Potential New Major Contract (including any announcement or public statement by any Public Authority indicating that Broadspectrum has ceased or may cease to be preferred tenderer for that Potential New Major Contract). For this purpose, '**Potential New Major Contract**' means any new contract (including a contract renewal) which would be reasonably likely to (if awarded) deliver forecast total orderbook to Broadspectrum of at least \$100 million, where Broadspectrum has announced that it was in negotiations to be granted or awarded that new or renewed contract prior to the date of this Bidder's Statement;
- iv. **(capital expenditure)** any commitment by Broadspectrum Group entities to capital expenditure in excess of \$10 million in aggregate;
- v. **(indebtedness)** any Broadspectrum Group entity incurs any indebtedness or issues any debt securities, where doing so would result in the value of the indebtedness incurred or debt issued by the Broadspectrum Group following the date of this Bidder's Statement exceeding \$50 million in aggregate;
- vi. **(increase in remuneration)** any Broadspectrum Group entity increases the remuneration of or pays any bonus or termination or retention payments to, or otherwise enters into new or varies the existing service or employment arrangements with, any of its directors or employees whose total annual employment cost exceeds or could reasonably be expected to exceed \$1 million in aggregate;
- vii. **(litigation)** any Broadspectrum Group entity becomes the subject of any litigation which is commenced or threatened, or there is an adverse development in any litigation to which any Broadspectrum Group entity is already subject (as at the date of this Bidder's Statement), which results in, or may reasonably be expected to result in, a judgment or order against any Broadspectrum Group entity that:
  - (A) is for an amount in excess of \$10 million;
  - (B) would require the Broadspectrum Group to undertake expenditure in excess of \$5 million; or
  - (C) affects the rights held by or for the benefit of any Broadspectrum Group entity under any approval, licence or permit issued by any Public Authority to any Broadspectrum Group entity;
- viii. **(agreements or announcements of intention)** any Broadspectrum Group entity enters into an agreement or announces an intention to do any of the matters referred to in the sub-paragraphs above.

**(h) No change of control or other rights**

No person (including any Public Authority) has, or will have, any right (whether subject to conditions or not) as a result of any change in the shareholding or control of any Broadspectrum Group entity under or in connection with the Offer, or as a result of Bidder making the Offer or announcing its intention to make the Offer, or acquiring Broadspectrum Shares under or in connection with the Offer, to:

- i. acquire, or require the disposal of, or require any Broadspectrum Group entity to offer to dispose of, any material assets of any Broadspectrum Group entity which have a value of at least \$15 million individually or \$30 million in aggregate;
- ii. terminate, or vary the terms or performance of, any material agreements with any Broadspectrum Group entity;
- iii. terminate, or vary the terms of any approvals, licences or permits issued by any Public Authority to or for the benefit of any Broadspectrum Group entity which individually result in loss to revenue of the Broadspectrum Group of at least \$15 million individually or \$30 million in aggregate; or
- iv. require repayment of any moneys borrowed by or any other indebtedness of any Broadspectrum Group entity earlier than its stated maturity date, or withdraw or inhibit the ability of any Broadspectrum Group entity to borrow moneys or incur indebtedness,

and Broadspectrum confirms in writing prior to the end of the Offer Period that this is the case. This condition will not apply to the extent that a person has, or will have, a right described in sub-paragraph (i), (ii), (iii) or (iv) above if Broadspectrum has, prior to the end of the Offer Period, given Bidder:

- i. written details of that right (including in respect of the agreement, legislation or other document under which that right arises); and
- ii. a copy of a binding written unconditional waiver or release of that right, signed by the person who holds that right.

**(i) No prescribed occurrences**

During the period from the date of this Bidder's Statement to the end of the Offer Period (each inclusive), none of the following occurs:

- i. Broadspectrum converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- ii. Broadspectrum or a subsidiary of Broadspectrum resolves to reduce its share capital in any way;
- iii. Broadspectrum or a subsidiary of Broadspectrum:
  - (A) enters into a buy-back agreement; or
  - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- iv. Broadspectrum or a subsidiary of Broadspectrum issues shares (other than as a result of the exercise, conversion or vesting of Broadspectrum Performance Awards or Broadspectrum Performance Awards which are on issue at the Register Date) or grants an option over its shares, or agrees to make such an issue or grant such an option;
- v. Broadspectrum or any subsidiary of Broadspectrum takes any action to accelerate the exercise of any Broadspectrum Performance Awards or any other rights or options over, Broadspectrum Shares before the scheduled date of exercise;
- vi. Broadspectrum or a subsidiary of Broadspectrum issues, or agrees to issue, convertible notes;
- vii. Broadspectrum or a subsidiary of Broadspectrum disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- viii. Broadspectrum or a subsidiary of Broadspectrum grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- ix. Broadspectrum or a subsidiary of Broadspectrum resolves to be wound up;
- x. a liquidator or provisional liquidator of Broadspectrum or of a subsidiary of Broadspectrum is appointed;
- xi. a court makes an order for the winding up of Broadspectrum or of a subsidiary of Broadspectrum;
- xii. an administrator of Broadspectrum or of a subsidiary of Broadspectrum is appointed under section 436A, 436B or 436C of the Corporations Act;
- xiii. Broadspectrum or a subsidiary of Broadspectrum executes a deed of company arrangement; or
- xiv. a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Broadspectrum or a subsidiary of Broadspectrum.

## 7.7 Nature and operation of Defeating Conditions

### (a) Nature of Defeating Conditions

- i. The Defeating Condition in Section 7.6(b) is a condition precedent to Bidder's acquisition of any interest in Broadspectrum Shares. Notwithstanding your acceptance of this Offer, unless and until the Defeating Condition in Section 7.6(b) has been fulfilled or waived:
  - (A) no contract for the sale of your Broadspectrum Shares will come into force or be binding on you or Bidder;
  - (B) Bidder will have no rights (conditional or otherwise) in relation to your Broadspectrum Shares;
  - (C) if your Broadspectrum Shares are held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Broadspectrum Shares by having your Controlling Participant transmit a valid originating message to ASX specifying the Broadspectrum Shares to be released from the sub-position, in accordance with Rule 14.16 of the ASX Settlement Operating Rules; and
  - (D) if your Broadspectrum Shares are not held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Broadspectrum Shares by sending a notice to that effect signed by you (or on your behalf, in which case documentation proving that the person or persons signing the notice are authorised to do so must accompany the notice) to any of the addresses specified on the Acceptance Form so that it is received at the relevant address at any time prior to the fulfilment or waiver of that Defeating Condition.
- ii. The other Defeating Conditions contained in Section 7.6 are conditions subsequent to the formation of a binding contract upon your acceptance of this Offer. None of those Defeating Conditions prevent a contract to sell your Broadspectrum Shares resulting from your acceptance of this Offer, but:
  - (A) breach of those Defeating Conditions entitles Bidder to rescind that contract by written notice to you; and
  - (B) non fulfilment of any of those Defeating Conditions at the end of the Offer Period will have the consequences set out in Section 7.7(f).

### (b) Separate Defeating Conditions for benefit of Bidder

- i. Each paragraph and sub-paragraph of Section 7.6 constitutes, and is to be construed as, a separate, several and distinct Defeating Condition. No Defeating Condition will be taken to limit the meaning or effect of any other Defeating Condition.
- ii. Subject to the Corporations Act and to Section 7.7(a)(i), Bidder alone is entitled to the benefit of the Defeating Conditions and to rely on breach or non-fulfilment of, or to waive, any of those conditions.

### (c) Fulfilment of Defeating Conditions

Ferrovia and Bidder will each use all reasonable endeavours, and procure that their respective subsidiaries will use all reasonable endeavours, to ensure that the Defeating Condition contained in Section 7.6(b) is (to the extent within Ferrovia and Bidder's control) fulfilled as soon as possible after the date of this Bidder's Statement.

### (d) Waiver of Defeating Conditions

Subject to the Corporations Act, Bidder may free this Offer and any contract resulting from your acceptance of this Offer from all or any of the Defeating Conditions generally or in relation to a specific occurrence by giving written notice to Broadspectrum:

- i. in the case of the Defeating Conditions in Section 7.6(i) – not later than three Business Days after the end of the Offer Period; and
- ii. in the case of the other Defeating Conditions – not less than seven Business Days before the last day of the Offer Period.

### (e) Notice on status of Defeating Conditions

The date for giving the notice as to the status of the Defeating Conditions required by section 630(1) of the Corporations Act is 29 January 2016 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

### (f) Contract void if Defeating Conditions not fulfilled

Your acceptance of this Offer, and any contract resulting from your acceptance of this Offer, will be automatically void if:

- i. at the end of the Offer Period, any of the Defeating Conditions is not fulfilled; and
- ii. Bidder has not declared this Offer and any contract resulting from your acceptance of it free from that Defeating Condition in accordance with Section 7.7(d).

## 7.8 Payment of consideration

### (a) When you will generally be paid

Subject to this Section 7.8 and the Corporations Act, if you accept this Offer and the Defeating Conditions are fulfilled or waived, Bidder will pay you the consideration for your Broadspectrum Shares under this Offer on or before the earlier of:

- i. the day that is one month after the date of your acceptance or, if at the time of your acceptance this Offer is subject to a Defeating Condition, one month after any contract resulting from your acceptance of this Offer becomes, or is declared, unconditional; and
- ii. the day that is 21 days after the end of the Offer Period.

### (b) Payment where additional documents required

Where additional documents are required, either by the Acceptance Form or otherwise, to be given to Bidder with your acceptance to enable Bidder to become the holder of your Broadspectrum Shares (such as a power of attorney) then, subject to Sections 7.8(c) to 7.8(f) and the Corporations Act:

- i. if those documents are given to Bidder with your acceptance, Bidder will pay you the consideration for your Broadspectrum Shares in accordance with Section 7.8(a);
- ii. if those documents are given to Bidder after your acceptance and before the end of the Offer Period, while this Offer is subject to a Defeating Condition, Bidder will pay you the consideration for your Broadspectrum Shares by the earlier of:
  - (A) one month after any contract resulting from your acceptance of this Offer becomes, or is declared, unconditional; and
  - (B) 21 days after the end of the Offer Period;
- iii. if those documents are given to Bidder after your acceptance and before the end of the Offer Period, while this Offer is not subject to a Defeating Condition, Bidder will pay you the consideration for your Broadspectrum Shares by the earlier of:
  - (A) one month after Bidder is given those documents; and
  - (B) 21 days after the end of the Offer Period; and
- iv. if those documents are given to Bidder after the end of the Offer Period, Bidder will pay you the consideration for your Broadspectrum Shares within 21 days after those documents are given. However, if, at the time those documents are given to Bidder, the contract resulting from your acceptance of this Offer is still subject to a Defeating Condition in Section 7.6(i), Bidder will pay you the consideration for your Broadspectrum Shares within 21 days after the contract becomes, or is declared, unconditional.

### (c) Delivery of consideration

Payment of any cash amount to which you are entitled will be made by cheque drawn in Australian currency in your favour. The cheque will be sent to you, at your risk, by ordinary mail (or, in the case of Broadspectrum Shareholders with addresses outside Australia, by airmail) to your address shown on the Acceptance Form or the address for you last notified to Bidder by Broadspectrum. Payment will be deemed to have been made at the time the cheque is delivered to Australia Post for delivery or placed in an Australia Post postal box.

### (d) Rights

If Bidder becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give to Bidder all documents necessary to vest title to those Rights in Bidder, or otherwise to give Bidder the benefit or value of those Rights. If you do not do so, or if you have received or are entitled to receive (or any previous holder of your Broadspectrum Shares has received or is entitled to receive) the benefit of those Rights, Bidder will be entitled to deduct the amount (or an amount equal to the value, as reasonably assessed by Bidder) of those Rights together with an amount equal to 100% of the face value of any franking credits attached to those Rights, from any consideration otherwise due to you under this Offer. If Bidder does not, or cannot, make such a deduction, you must pay that amount to Bidder, except to the extent that Bidder elects to waive its entitlement to those Rights.

### (e) Non-Australian residents

If, at the time of acceptance of this Offer, any authority or clearance of a Public Authority is required for you to receive any consideration under this Offer or you are resident in or a resident of a place to which, or you are a person to whom any law (including any regulations) of Australia that would make it unlawful for Bidder to provide consideration for your Broadspectrum Shares (eg. *The Banking (Foreign Exchange) Regulations 1959* (Cth), and Part 4 of the Charter of the United Nations Act 1945 (Cth) and any regulations under that act), then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in this Offer unless and until all requisite authorities or clearances have been obtained by Bidder. See Section 6.8 for information known to Bidder as to whether this restriction may apply to you.

#### **(f) Withholding of consideration by Bidder**

If any amount (the **withholding amount**) is required, under any Australian law or by any Public Authority, to be:

- i. withheld from any consideration otherwise payable to you under this Offer and paid to a Public Authority; or
- ii. retained by Bidder out of any consideration otherwise payable to you under this Offer,

the payment or retention by Bidder of the withholding amount (as applicable) will constitute full discharge of Bidder's obligation to pay the consideration to you to the extent of the withholding amount.

## **7.9 Offerees**

#### **(a) Registered holders**

Bidder is making an offer in the form of this Offer to:

- i. each person registered as the holder of Broadspectrum Shares in the register of members of Broadspectrum as at the Register Date; and
- ii. each person who, during the period from the Register Date to the end of the Offer Period, becomes registered or entitled to be registered as the holder of Broadspectrum Shares (whether or not they are registered or entitled to be registered as the holder of other Broadspectrum Shares) due to the conversion of, or exercise of rights attached to, other securities convertible into Broadspectrum Shares (including Broadspectrum Performance Awards) that are on issue at the Register Date.

#### **(b) Transferees**

If at any time during the Offer Period another person is able to give good title to some or all of your Broadspectrum Shares, and that person has not already accepted an offer in the form of this Offer for those Broadspectrum Shares, then that person may accept as if an offer in the form of this Offer had been made to them in respect of those Broadspectrum Shares.

#### **(c) Trustees and nominees**

If at any time during the Offer Period and before you accept this Offer your Broadspectrum Shares consist of two or more separate parcels within the meaning of section 653B of the Corporations Act (for example, because you hold your Broadspectrum Shares as trustee or nominee for, or otherwise on account of, several distinct beneficial owners), then you may accept as if a separate offer in the form of this Offer had been made in relation to each of those parcels (including any parcel you hold in your own right). Acceptance for any parcel of Broadspectrum Shares (including any parcel consisting of two or more parcels) is ineffective unless:

- i. you give Bidder notice stating that the Broadspectrum Shares consist of a separate parcel, such notice being:
  - (A) in the case of Broadspectrum Shares not in a CHESS Holding, in writing; or
  - (B) in the case of Broadspectrum Shares in a CHESS Holding, in an electronic form approved by the ASX Settlement Operating Rules for the purposes of Part 6.8 of the Corporations Act; and
- ii. your acceptance specifies the number of Broadspectrum Shares in the parcel.

#### **(d) Broadspectrum Shares subject to Broadspectrum transfer restrictions**

If at any time during the Offer Period some of your Broadspectrum Shares are subject to transfer restrictions imposed by Broadspectrum (for example, because you hold some of your Broadspectrum Shares under an employee incentive plan), then you may accept as if a separate offer in the form of this Offer had been made in relation to the balance of your Broadspectrum Shares. Acceptance for the balance of your Broadspectrum Shares is ineffective unless you give Bidder notice stating the number of your Broadspectrum Shares that are subject to a transfer restriction and explaining the nature of the restriction, and your acceptance specifies the balance of your Broadspectrum Shares.

## 7.10 Additional copies of Offer documents

If, for the purpose of accepting the Offer, you require additional copies of this Bidder's Statement and the Acceptance Form, please call the Offer Information Line on 1300 782 154 (within Australia) or +61 3 9415 4131 (from outside Australia) to request those additional copies.

## 7.11 Variation and withdrawal of Offer

### (a) Variation

Bidder may vary this Offer in accordance with the Corporations Act.

### (b) Withdrawal

This Offer may be withdrawn with the written consent of ASIC, which consent may be subject to conditions. If so, Bidder will give notice of the withdrawal to ASX and to Broadspectrum and will comply with any other conditions imposed by ASIC.

## 7.12 Costs and stamp duty

- a. Bidder will pay all costs and expenses of the preparation and circulation of this Offer and any Australian stamp duty payable on the transfer of any Broadspectrum Shares to Bidder under this Offer.
- b. If you hold your Broadspectrum Shares through a CHESS Holding, you should ask your Controlling Participant or nominee whether it will charge any transaction fees or service charges in connection with acceptance of this Offer.

## 7.13 Notices

Any notice to be given by Bidder to you in connection with this Offer may be given to you by leaving it at or sending it by pre-paid ordinary mail, or in the case of any address outside Australia, by pre-paid airmail to you at your address as recorded in the register of members of Broadspectrum on the Register Date or the address shown in the Acceptance Form or the address for you last notified to Bidder by Broadspectrum.

## 7.14 Governing law and jurisdiction

This Offer and any contract resulting from your acceptance of this Offer are governed by the laws of New South Wales. In relation to them and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

# 8

## Definitions and Interpretation

## 8.1 Definitions

In this Bidder's Statement and in the Acceptance Form, unless the context requires otherwise:

| Term                                    | Meaning   |
|---|---|
| <b>Acceptance Form</b>                  | means the acceptance form enclosed with this Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of Bidder.  |
| <b>Announcement Date</b>                | means 7 December 2015.  |
| <b>ASIC</b>                             | means the Australian Securities and Investments Commission.   |
| <b>ASX</b>                              | means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.  |
| <b>ASX Listing Rules</b>                | means the Listing Rules of ASX.   |
| <b>ASX Settlement</b>                   | means ASX Settlement Pty Limited (ACN 008 504 532).   |
| <b>ASX Settlement Operating Rules</b>   | means the operating rules of ASX Settlement.  |
| <b>Bid Period</b>                       | means the period between the date on which this Bidder's Statement was provided to Broadspectrum and the end of the Offer Period (both inclusive).  |
| <b>Bidder</b>                           | means Ferrovial Services Australia Pty Limited (ACN 609 542 556), an indirectly wholly owned subsidiary of Ferrovial.   |
| <b>Bidder's Statement</b>               | means this document, being the statement of Bidder under Part 6.5 of the Corporations Act (as amended by ASIC Class Order [CO 13/528]) relating to the Offer.   |
| <b>Broadspectrum</b>                    | means Broadspectrum Limited (ABN 69 000 484 417).   |
| <b>Broadspectrum Board</b>              | means the board of directors of Broadspectrum.  |
| <b>Broadspectrum Director</b>           | means a director on the Broadspectrum Board.  |
| <b>Broadspectrum Group</b>              | means Broadspectrum and its Related Bodies Corporate as at the date of this Bidder's Statement.   |
| <b>Broadspectrum Performance Awards</b> | means the performance awards granted under the Transshare Executive Performance Awards Plan.  |
| <b>Broadspectrum Shareholder</b>        | means a person registered in the register of members of Broadspectrum as a holder of Broadspectrum Shares.  |
| <b>Broadspectrum Shares</b>             | means fully paid ordinary shares in Broadspectrum.  |
| <b>BRS</b>                              | means Broadspectrum Limited.  |
| <b>Business Day</b>                     | means a day other than Saturday or Sunday, public or bank holiday in Sydney, Australia.   |
| <b>CGT</b>                              | means Australian capital gains tax.   |
| <b>CHESS</b>                            | means the Clearing House Electronic Subregister System, which provides for the electronic transfer, settlement and registration of securities in Australia.   |
| <b>CHESS Holding</b>                    | means a holding of Broadspectrum Shares on the CHESS Subregister of Broadspectrum.  |
| <b>CHESS Subregister</b>                | has the meaning given in the ASX Settlement Operating Rules.  |
| <b>CHI-X</b>                            | means Chi-X Australia, which is a Stock Exchange and Derivatives Market operator licensed and regulated by ASIC.  |
| <b>Cintra</b>                           | means the toll roads unit of Ferrovial.   |
| <b>Controlling Participant</b>          | has the meaning given in the ASX Settlement Operating Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules). |



| <b>Term</b>                         | <b>Meaning</b>   |
|-------------------------------------|--|
| <b>Corporations Act</b>             | means the <i>Corporations Act 2001</i> (Cth).  |
| <b>Defeating Condition</b>          | means each condition set out in Section 7.6.   |
| <b>DIBP</b>                         | means the Department of Immigration and Border Protection.   |
| <b>DIBP Contract</b>                | means the contract with the DIBP to provide facilities management and welfare services at the regional processing centres in Nauru and Manus province.   |
| <b>DSP</b>                          | means Broadspectrum's defence, social and property segment.  |
| <b>EBIT</b>                         | means earnings before interest and taxes.  |
| <b>EBITDA</b>                       | means earnings before interest, taxes, depreciation and amortisation.  |
| <b>Encumbrance</b>                  | means an interest or power: <ul style="list-style-type: none"> <li>a. reserved in or over any interest in any asset including any retention of title; or</li> <li>b. created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,</li> </ul> by way of security for the payment of debt or any other monetary obligation or the performance of any other obligation and includes any agreement to grant or create any of the above. |
| <b>Enterprise Value</b>             | means the total value of an entity including both equity and debt value.   |
| <b>FATA</b>                         | means the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).  |
| <b>Ferrovial</b>                    | means Ferrovial, S.A.  |
| <b>Ferrovial Agroman</b>            | means the construction unit of Ferrovial.  |
| <b>Ferrovial Airports</b>           | means the airports division of Ferrovial.  |
| <b>Ferrovial Group</b>              | means Ferrovial and its Related Bodies Corporate as at the date of this Bidder's Statement, and a reference to Ferrovial Group Member is a reference to Ferrovial or any of its Related Bodies Corporate.  |
| <b>Ferrovial Services</b>           | means the services unit of Ferrovial.  |
| <b>FIRB</b>                         | means the Foreign Investment Review Board.   |
| <b>Foreign Resident</b>             | means a Broadspectrum Shareholder who is not a resident of Australia for taxation purposes.  |
| <b>GST</b>                          | means the goods and services tax imposed under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth) and the related imposition acts of the Commonwealth of Australia.   |
| <b>Holder Identification Number</b> | means the number used to identify a Broadspectrum Shareholder on the CHESS Subregister of Broadspectrum.   |
| <b>IRESS</b>                        | means IRESS Limited, a supplier of share market and wealth management systems.   |
| <b>Issuer Sponsored Holding</b>     | means a holding of Broadspectrum Shares on the Issuer Sponsored Subregister of Broadspectrum.  |
| <b>Issuer Sponsored Subregister</b> | has the meaning given in the ASX Settlement Operating Rules.   |
| <b>Net Debt</b>                     | means total loans and borrowings less cash and cash equivalents (as reported by Broadspectrum).  |
| <b>Offer</b>                        | means, as the context requires, the offer for Broadspectrum Shares contained in Section 7, or the off-market takeover bid constituted by that offer and each other offer by Bidder for Broadspectrum Shares in the form of that offer, including in each case as varied in accordance with the Corporations Act.   |
| <b>Offer Information Line</b>       | means the information line set up for the purpose of answering enquiries from Broadspectrum Shareholders in relation to the Offer, being 1300 782 154 (within Australia) or +61 3 9415 4131 (from outside Australia).  |

| <b>Term</b>  | <b>Meaning</b>  |
|--|---|
| <b>Offer Period</b>                                    | means the period during which the Offer will remain open for acceptance in accordance with Section 7.2.   |
| <b>Offer Price</b>                                     | means the consideration offered for each Broadspectrum Share pursuant to the terms of the Offer.  |
| <b>Programmed</b>                                      | means Programmed Maintenance Services Limited.  |
| <b>Public Authority</b>                                | means any government or any governmental, semi-governmental, statutory or judicial entity or authority, or any minister, department, office or delegate of any government, whether in Australia or elsewhere. It also includes any self regulatory organisation established under statute and any stock exchange.   |
| <b>RCR</b>   | means RCR Tomlinson Limited.  |
| <b>Register Date</b>                                   | means 8am on 8 December 2015, being the date set by Bidder under section 633(2) of the Corporations Act.  |
| <b>Related Bodies Corporate</b>                        | has the meaning given in the Corporations Act.  |
| <b>Rights</b>  | means all accretions, rights and benefits of whatever kind attaching to or arising from the Broadspectrum Shares directly or indirectly at or after the date of this Bidder's Statement (including all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by Broadspectrum or any subsidiary of Broadspectrum).   |
| <b>Securityholder Reference Number</b>                 | means the number allocated by Broadspectrum to identify a Broadspectrum Shareholder on the Issuer Sponsored Subregister of Broadspectrum.   |
| <b>S&amp;P/ASX 200 Index</b> or <b>S&amp;P/ASX 200</b> | measures the performance of the largest 200 index-eligible stocks listed on the ASX by float-adjusted market capitalisation.  |
| <b>S&amp;P/ASX 200 Accumulation Index</b>              | takes into account both price movements and income payments relating to companies in the S&P/ ASX 200 Index. Calculation of the accumulation index assumes that the value of a company's dividend is reinvested across the whole index portfolio.   |
| <b>Takeover Transferee Holding</b>                     | has the meaning given in the ASX Settlement Operating Rules, being the CHES Holding to which Broadspectrum Shares are to be transferred pursuant to acceptances of the Offer.   |
| <b>Target's Statement</b>                              | means the target statement to be prepared by Broadspectrum in response to this Bidder's Statement.  |
| <b>TranShare Plan Trust</b>                            | means the trust by the same name which holds treasury shares for the purpose of providing relevant staff with Broadspectrum Shares upon the exercise of Broadspectrum Performance Awards.   |
| <b>Treasurer</b>                                       | means the Treasurer of the Commonwealth of Australia.   |
| <b>TSR</b>   | means total shareholder return.   |
| <b>Underlying EBIT</b>                                 | means EBIT excluding costs associated with settlement of legal claims and restructuring costs.  |
| <b>Underlying EBITDA</b>                               | means EBITDA excluding costs associated with settlement of legal claims and restructuring costs.  |
| <b>VWAP</b>  | means the volume weighted average trading price of Broadspectrum Shares on ASX and CHI-X.   |
| <b>your Broadspectrum Shares</b>                       | means, subject to Section 7.9: <ul style="list-style-type: none"> <li>a. the Broadspectrum Shares in respect of which you are registered or entitled to be registered as a holder in the register of members of Broadspectrum at the Register Date, and in respect of which no other person becomes registered or entitled to be registered as a holder before you accept the Offer; and</li> <li>b. any other Broadspectrum Shares to which you are able to give good title at the time you accept the Offer (including any Broadspectrum Shares in respect of which you become registered or entitled to be registered as a holder due to the conversion of, or exercise of rights attached to, other securities convertible into Broadspectrum Shares (including Broadspectrum Performance Awards) that are on issue at the Register Date).</li> </ul> |

## 8.2 Interpretation

- a. In this Bidder's Statement and in the Acceptance Form, headings are for convenience only and do not affect interpretation.
- b. Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- c. The following rules apply unless the context requires otherwise:
  - i. The singular includes the plural and conversely.
  - ii. A reference to a Section or Annexure is to a Section of, or annexure to, this Bidder's Statement.
  - iii. A gender includes all genders.
  - iv. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
  - v. A reference to a person, corporation, trust, partnership, unincorporated body or association or other entity includes any of them.
  - vi. A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns.
  - vii. A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
  - viii. A reference to any instrument or document includes any variation or replacement of it.
  - ix. A term not specifically defined in this Bidder's Statement has the meaning given to it in the Corporations Act (being, if any special meaning is given for the purposes of Chapter 6 or 6A of the Corporations Act or a provision of those chapters, that special meaning).
  - x. A reference to time is a reference to Sydney time.
  - xi. A reference to \$ is a reference to the lawful currency of Australia.
  - xii. A reference to you is to a person to whom the Offer under Section 7 is (or is deemed to be) made.

# 9

## Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution of the directors of Ferrovial Services Australia Pty Limited (ACN 609 542 556).

Dated 23 December 2015.

Signed on behalf of Ferrovial Services Australia Pty Limited (ACN 609 542 556):

A handwritten signature in black ink, appearing to be 'Santiago Olivares', written in a cursive style.

**Santiago Olivares**

Director

Ferrovial Services Australia Pty Limited

# Annexures

## Annexure 1: ASX announcements by Broadspectrum

Below is a list of the announcements which have been made by Broadspectrum to ASX between 25 September 2015 (being the date on which Broadspectrum released its most recent annual report) and the Announcement Date.

| Date lodged       | Description  |
|-------------------|--|
| 2 December 2015   | Change in substantial holding                      |
| 30 November 2015  | Broadspectrum Responds to Australian Article       |
| 29 October 2015   | Change of name to Broadspectrum Limited (BRS)      |
| 29 October 2015   | Constitution                                       |
| 28 October 2015   | 2015 AGM Results                                   |
| 28 October 2015   | AGM Presentation Slides                            |
| 28 October 2015   | AGM Chairman and CEO Addresses                     |
| 28 October 2015   | Transfield Services reiterates guidance            |
| 28 October 2015   | Transfield Services signs Deed with DIBP           |
| 7 October 2015    | Change of Director's Interest Notice – Graeme Hunt |
| 25 September 2015 | Appendix 4G and Corporate Governance Statement     |
| 25 September 2015 | Notice of Annual General Meeting and Proxy Form    |
| 25 September 2015 | Supplementary Letter to Shareholders               |
| 25 September 2015 | 2015 Annual Report                                 |

# Annexure 2: ASIC Instrument

15-1223

## Australian Securities and Investments Commission Corporations Act 2001 – Paragraph 655A(1)(b) – Declaration

### Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this declaration under paragraph 655A(1)(b) of the *Corporations Act 2001* (the *Act*).

### Title

2. This instrument is ASIC Instrument 15-1223.

### Commencement

3. This instrument commences on 23 December 2015.

### Declaration

4. Chapter 6 of the Act applies to Ferrovial Services Australia Pty Limited ACN 609 542 556 (*Ferrovial*) as if Part 6.5 were modified or varied as follows:

- (a) in item 6 of the table in subsection 633(1) (as notionally modified by ASIC Class Order [CO 13/528], omit "item 2.", insert:

"item 2, or on terms that differ from the lodgement terms solely in accordance with a permitted variation".

- (b) in paragraph 633A(3) (as notionally inserted by ASIC Class Order [CO 13/528]):

- (i) after "subsection 633(1):" insert:

**"lodgement terms** mean the terms of the offer set out in the original bidder's statement and offer document (if any) lodged with ASIC under item 2 of the table in subsection 633(1).

**permitted variation** means a difference arising from a variation to the terms of an offer to:

- a) exclude the application of a defeating condition relating to regulatory action where such action is taken by ASIC or the Takeovers Panel; and
- b) include an additional defeating condition that the bidder receives all consents, approvals or clearances required under the applicable laws of New Zealand for the implementation of the offer and such consents, approvals

## Annexure 2: ASIC Instrument continued


15-1223

or clearances (as the case may be) have not been withdrawn, suspended, revoked or adversely amended before the close of the offer period."

### **Where this instrument applies**

5. This instrument applies in relation to an off-market bid by Ferrovial for all of the fully paid ordinary shares of Broadspectrum Limited ACN 000 484 417 in respect of which a bidder's statement was lodged with ASIC on 7 December 2015 and a supplementary bidder's statement was lodged on or about the date of this instrument.

Dated this 23<sup>rd</sup> day of December 2015



Signed by Kwan Leung  
As a delegate of the Australian Securities and Investments Commission



## Corporate Directory

### **Ferrovial**

Ferrovial, S.A.  
Calle Principe de Vergara  
135, 28002, Madrid, Spain

### **Bidder**

Ferrovial Services Australia Pty Limited  
Level 33, 101 Collins Street  
Melbourne VIC 3000  
Australia

### **Offer Information Line**

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on the following numbers:

Within Australia: 1300 782 154

Outside Australia: +61 3 9415 4131

### **Registry for the Offer**

You can contact Ferrovial, S.A.'s share registrar for the offer (Computershare Investor Services Pty Limited) at the address set out below:

#### ***(For post)***

Computershare Investor Services Pty Limited Broadspectrum Takeover Offer  
GPO Box 2115  
Melbourne VIC 3001  
Australia

**ferrovial**



**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 2115 Melbourne  
Victoria 3001 Australia

**For all enquiries:**



**Phone:**

(within Australia) 1300 782 154  
(outside Australia) +61 3 9415 4131



┌ 000001 000 BRSTKO  
MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

## Takeover Acceptance Form

ISSUER

### Your form must be received by the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Ferrovial Services Australia Pty Limited (ACN 609 542 556) ("Ferrovial") to acquire all of your fully paid ordinary shares ("Broadpectrum Shares") in Broadpectrum Limited (ACN 000 484 417) the terms of which are set out in the Replacement Bidder's Statement from Ferrovial dated 23 December 2015 as replaced or supplemented (the "Bidder's Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

### Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the Broadpectrum Limited register, as provided to Ferrovial. The current address recorded by Ferrovial is printed above and overleaf. If you have recently bought or sold Broadpectrum Shares your holding may differ from that shown. If you have already sold all your Broadpectrum Shares, do not complete or return this form.

### Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Broadpectrum Shares. You cannot accept the Offer for only some of your Broadpectrum Shares.

By signing this form, you warrant to Ferrovial (and authorise Ferrovial to warrant on your behalf) that all of your Broadpectrum Shares are and will be fully paid and that you have full legal and beneficial ownership of the Broadpectrum Shares to which this form relates and that Ferrovial will acquire them free from all mortgages, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

### Step 3: Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing as Power of Attorney ("POA"), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and sole company secretary **OR** a sole director (if no company secretary exists), **OR**
- two directors, **OR**
- a director and secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of probate or letters of administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form** →



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# Takeover Acceptance Form

For your security keep your SRN/  
HIN confidential.

## STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

Offer Details: Securityholding as at 8 December 2015:

2000

By accepting the Offer for ALL of your Broadspectrum Shares, you are accepting the Offer for ALL the Broadspectrum Shares as recorded by Ferrovial as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Broadspectrum Shares. The consideration applicable is set out in the terms of Ferrovial's Offer.

## STEP 3 Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by Ferrovial for Broadspectrum Shares and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Broadspectrum Shares as per the above instruction.

Individual or Securityholder 1

Sole Director and Sole Company Secretary/  
Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary  
(cross out titles as applicable)

Contact Name \_\_\_\_\_

Contact  
Daytime  
Telephone \_\_\_\_\_

Date / /

## Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Ferrovial. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Ferrovial or to third parties upon direction by Ferrovial where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Spain, Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.

# Ferrovial Services Australia Pty Limited

ACN 609 542 556

## Return your Form:



### To Your Controlling Participant:

Return this form directly to your stockbroker



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 2115 Melbourne  
Victoria 3001 Australia

┌ 000002 000 BRSTKO  
MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

## For all enquiries:

### Phone:

(within Australia) 1300 782 154  
(outside Australia) +61 3 9415 4131

## Takeover Acceptance Form

CHES

### Your form must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Ferrovial Services Australia Pty Limited (ACN 609 542 556) ("Ferrovial") to acquire all of your fully paid ordinary shares ("Broadpectrum Shares") in Broadpectrum Limited (ACN 000 484 417) the terms of which are set out in the Replacement Bidder's Statement from Ferrovial dated 23 December 2015 as replaced or supplemented (the "Bidder's Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

### Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the Broadpectrum Limited register, as provided to Ferrovial.

The current address recorded by Ferrovial is printed above and overleaf. If you have recently bought or sold Broadpectrum Shares your holding may differ from that shown. If you have already sold all your Broadpectrum Shares, do not complete or return this form.

### Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Broadpectrum Shares. You cannot accept the Offer for only some of your Broadpectrum Shares.

As your Broadpectrum Shares are in a CHES holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Ferrovial to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Ferrovial and Computershare Investor Services Pty Limited ("CIS") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you warrant to Ferrovial (and authorise Ferrovial to warrant on your behalf) that all of your Broadpectrum Shares are and will be fully paid and that you have full legal and beneficial ownership of the Broadpectrum Shares to which this form relates and that Ferrovial will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

You should allow sufficient time for your Controlling Participant or Ferrovial to initiate the acceptance of Ferrovial's Offer on your behalf. Neither Ferrovial or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

### Step 3: Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing as Power of Attorney ("POA"), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and sole company secretary **OR** a sole director (if no company secretary exists), **OR**
- two directors, **OR**
- a director and secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of probate or letters of administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form** →



X 2222222222

I ND

# Takeover Acceptance Form

For your security keep your SRN/  
HIN confidential.

## STEP 1 Registration Name & Offer Details

**Registration Name:** MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

Controlling Participant Identifier:

**Offer Details:** Securityholding as at 8 December 2015:

2000

By accepting the Offer for ALL of your Broadspectrum Shares, you are accepting the Offer for ALL the Broadspectrum Shares as recorded by Ferrovial as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Broadspectrum Shares. The consideration applicable is set out in the terms of Ferrovial's Offer.

## STEP 3 Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by Ferrovial for Broadspectrum Shares and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Broadspectrum Shares as per the above instruction.

Individual or Securityholder 1

Sole Director and Sole Company Secretary/  
Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary  
(cross out titles as applicable)

Contact  
Name \_\_\_\_\_

Contact  
Daytime  
Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

## Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Ferrovial. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Ferrovial or to third parties upon direction by Ferrovial where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Spain, Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.